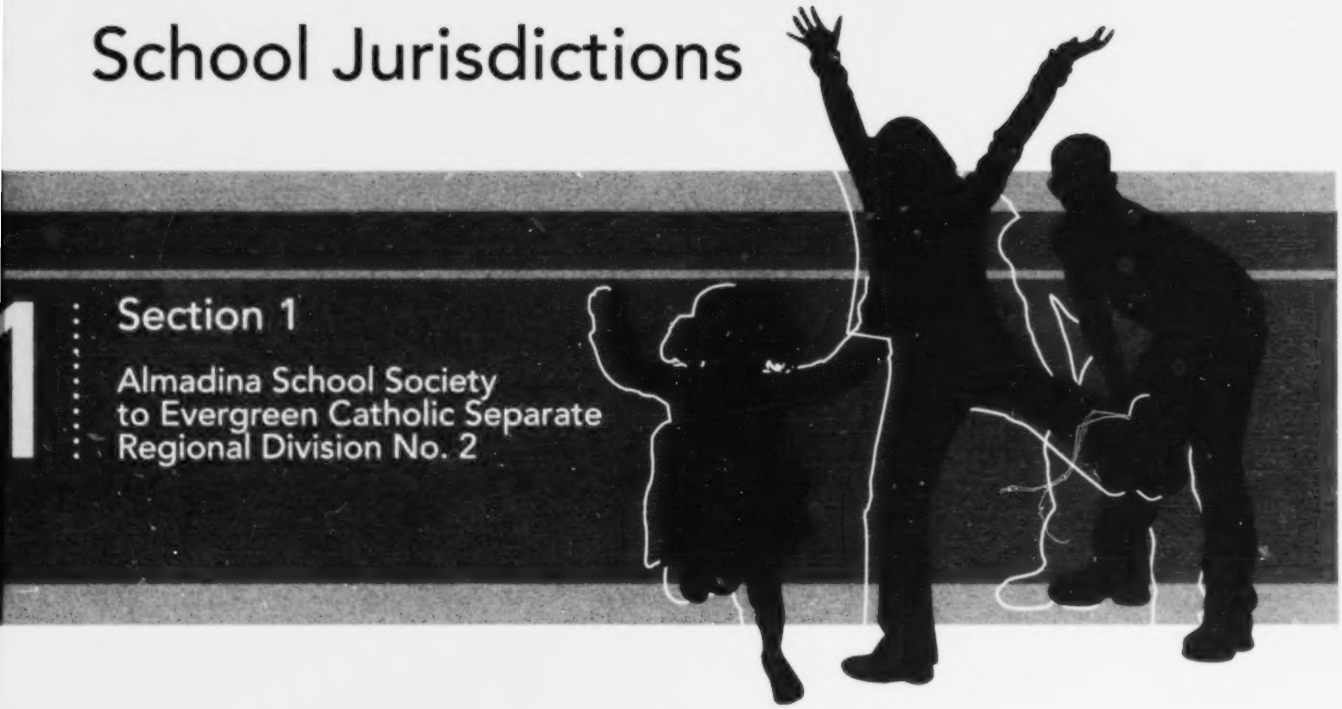
School Jurisdictions



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Section 1

Almadina School Society
to Evergreen Catholic Separate
Regional Division No. 2

Audited Financial Statements

For the Year Ended August 31, 2006

Alberta
Education

A printed copy of the audited financial statements of school jurisdictions (in three volumes) is available for reference at the following Alberta depository libraries:

- Alberta Legislature Library
- Alberta Provincial Archives
- Calgary Public Library
- Edmonton Public Library
- University of Alberta Library
- University of Calgary Library
- University of Lethbridge Library

These audited financial statements are available on the Internet
http://www.education.gov.ab.ca/funding/afs/

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2008-03224/

School Jurisdictions Audited Financial Statements

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School Jurisdiction Code: 6021

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Almadina School Society
Legal Name of School Jurisdiction

225 28 St SW Calgary, AB
Mailing Address

Telephone (403) 543-2078 Fax (403) 543-5079
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Almadina School Society
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mohamad Eljabali	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Dr. Pier DePaola	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Cindy Roettger	"ORIGINAL SIGNED"
Name	**Signature**

21-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 6021

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Auditor's Report

To the Board of Directors
Almadina School Society

I have audited the statement of financial position of the Almadina School Society as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, its cash flows, its net assets and its capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, presents fairly, in all material respects, in relation to the basic financial statements taken as a whole.

David G. Marshall

Professional Corporation
Chartered Accountant

Calgary, Alberta
November 9, 2006

School Jurisdiction Code: 6021

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$427,087	$496,608
Accounts receivable (net after allowances)		$114,130	$185,443
Prepaid expenses		$119,636	$59,639
Other current assets		$0	$0
Total current assets		$660,853	$741,690
School generated assets		$3,281	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$53,034		
Less: accumulated amortization	($7,989)	$45,045	$39,947
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$45,045	$39,947
TOTAL ASSETS		$709,179	$781,637
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued Liabilities		$10,306	$226,995
Deferred revenue		$47,435	$89,990
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$57,741	$316,985
School generated liabilities		$3,281	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$3,281	$0
TOTAL LIABILITIES		$61,022	$316,985
NET ASSETS			
Unrestricted net assets		$576,415	$398,008
Operating Reserves		$26,697	$26,697
Accumulated Operating Surplus (Deficit)		$603,112	$424,705
Investment in capital assets		$45,045	$39,947
Capital Reserves		$0	$0
Total Capital Funds		$45,045	$39,947
Total net assets		$648,157	$464,652
TOTAL LIABILITIES AND NET ASSETS		$709,179	$781,637

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 6021

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$6,144,564	$6,151,062	$4,745,497
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$0	$0	$0
Transportation fees	$54,094	$54,150	$38,731
Other sales and services	$57,200	$3,000	$683
Investment income	$17,639	$0	$7,528
Gifts and donations	$400	$0	$250
Rentals of facilities	$100	$0	$305
Net school generated funds	$23,964	$0	$0
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$6,297,961	$6,208,212	$4,792,994
EXPENSES			
Certificated salaries	$2,674,570	$2,651,750	$1,923,560
Certificated benefits	$274,812	$339,282	$199,305
Uncertificated salaries and wages	$532,392	$357,800	$324,756
Uncertificated benefits	$76,714	$40,000	$41,996
Services, contracts and supplies	$2,527,296	$2,564,260	$2,289,639
Net school generated funds	$20,683	$0	$0
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$7,989	$0	$0
Total Amortization of capital assets	$7,989	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$6,114,456	$5,953,092	$4,779,256
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$183,505	$255,120	$13,738
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$183,505	$255,120	$13,738

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 6021

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$183,505	$13,738
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$7,989	$0
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$71,313	($21,339)
Prepaids and other current assets	($59,997)	($10,091)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($216,689)	$146,528
Deferred revenue	($42,555)	$89,990
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($56,434)	$218,826
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	($13,087)	($39,947)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($13,087)	($39,947)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	($69,521)	$178,879
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$496,608	$317,729
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$427,087	$496,608

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 6021

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$464,652	$39,947	$398,008	$26,697	$0	$0	$26,697	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$464,652	$39,947	$398,008	$26,697	$0	$0	$26,697	$0	$0	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$183,505		$183,505											
Board funded capital transactions		$13,087	($13,087)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($7,989)	$7,989											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$648,157	$45,045	$576,415	$26,697	$0	$0	$26,697	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 6021

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$0	$0
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$0	$0
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$0	
	Infrastructure & Transportation-School/Modular Project Capital *	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2006		$0	$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

ALMADINA SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2006

1. Authority and Purpose

Almadina School Society is a non-profit Society incorporated under the Society's Act of Alberta. The Society operates the Almadina Language Charter Academy ("Academy") which is a public school under Part 2, Division 2.1 of the School Act of Alberta. The Academy offers educational programs from ECS to grade 9 with special emphasis on English as a Second Language.

The Society is registered with the Canada Revenue Agency as a Charitable Organization, and for income tax purposes is a non-taxable organization.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) **Revenue Recognition** - Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) **Capital Assets** - Capital Assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis commencing in the year subsequent to the capital asset purchase at the following rates:

Computer equipment	20%

Capital assets with individual costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) **Vacation Pay** - Vacation pay is accrued in the period in which the employee earns the benefit.

d) **Prepaid Expenses** - Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

2. Summary of Significant Accounting Policies Continued

e) **Contributed Services** - Volunteers contribute a number of hours per year to the Society to ensure certain programs are delivered, such as field trip supervision and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact these services are not otherwise purchased, contributed services are not recognized in these financial statements.

f) **Financial Instruments** - Financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

g) **Operating and Capital Reserves** - Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

h) **Net Assets Invested in Capital Assets** - Net assets invested in capital assets represents the Society's net investment in its total capital assets.

i) **Pension Plan** - The Society's certificated employees are required to contribute to the Teachers' Retirement Fund, a multi-employer pension plan. Although this is a defined benefit plan, any experience of gains or losses is determined by actuarial valuations and is the responsibility of the Province of Alberta and these employees. Accordingly, no disclosure is provided in these financial statements relating to the possible effects of participation in the Pension Plan by the Society's employees.

3. Accounts Receivable

	2006	2005
Trade receivables	$ 4,252	$ 6,468
Alberta Education grants	74,960	152,955
GST refund	34,918	26,020
	$ 114,130	$ 185,443

4. Capital Assets

	2006			2005
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	$ 53,034	$ 7,989	$ 45,045	$ 39,947

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	2005
Trade payables	$ 5,306	$ 3,393
Accrued liabilities	5,000	8,402
Alberta Infrastructure	-	215,200
	$ 10,306	$ 226,995

6. DEFERRED REVENUE

	2006	2005
Deferred revenue	$ 47,435	$ -
Alberta Initiative for School Improvement	-	3,042
Infrastructure PO & M Grant	-	86,948
	$ 47,435	$ 89,990

7. COMMITMENTS

The Society leases the school facilities from the Calgary Board of Education for the elementary program, and the Muslim Community Foundation of Calgary for the junior high and ECS programs as follows:

a) **Elementary Program** - the future minimum annual lease payment as of August 31, 2006 under the operating lease agreement, with an expiry date of July 31, 2011, is $403,514 per year.

b) **Junior High and ECS Programs** - the future minimum annual lease payments as of August 31, 2006 under the operating lease agreement, with an expiry date of July 31, 2011, is $460,000 for 2007; $490,000 for 2008; $520,000 for 2009; $550,000 for 2010; and, $580,000 for 2011.

8. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Directors. It is presented for information purposes only and has not been audited.

9. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Almadina School Society's primary source of income is from the Alberta Government and their ability to continue viable operations is dependent on this continued funding by Alberta Education.

ALMADINA SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2006

10. LEGAL MATTERS

a) A demand and informal claim has been filed against the Society but no statement of claim has been served on the Society.

b) A grievance has been filed against the Society but no steps have been taken to pursue this matter.

The Society is of the opinion that they are not liable in these matters and accordingly have not recorded any liability in these financial statements.

SCHEDULE A to the AFS

School Jurisdiction Cod 6021

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$5,305,119	$4,465,308	$440,255	$342,334	$57,222	$0
(2) **Alberta Infrastructure & Transportation**	$839,445	$0	$839,445			
(3) **Alberta Finance**	$0		$0			$0
(4) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$0	$0				
(10) **Transportation fees**	$54,094			$54,094		
(11) **Other sales and services**	$57,200	$0	$0	$0	$0	$57,200
(12) **Investment income**	$17,639	$0	$0	$0	$17,639	$0
(13) **Gifts and donations**	$400	$400	$0	$0		$0
(14) **Rentals of facilities**	$100	$0	$100	$0	$0	$0
(15) **Net school generated funds**	$23,964	$23,964			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(18) **TOTAL REVENUES**	$6,297,961	$4,489,672	$1,279,800	$396,428	$74,861	$57,200
EXPENSES						
(19) **Certificated salaries**	$2,674,570	$2,674,570			$0	$0
(20) **Certificated benefits**	$274,812	$274,812			$0	$0
(21) **Uncertificated salaries and wages**	$532,392	$508,208	$0	$0	$24,184	$0
(22) **Uncertificated benefits**	$76,714	$73,883	$0	$0	$2,831	$0
(23) **SUB - TOTAL**	$3,558,488	$3,531,473	$0	$0	$27,015	$0
(24) **Services, contracts & supplies**	$2,527,296	$469,312	$1,123,591	$648,871	$245,219	$40,303
(25) **Cost recoveries between programs**	$0	$0	$0	$0		$0
(26) **Net school generated funds**	$20,683	$20,683				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$0	$0	$0	$0	$0	$0
(28) Unsupported	$7,989	$7,989	$0	$0	$0	$0
(29) Total Amortization	$7,989	$7,989	$0	$0	$0	$0
Interest on capital debt						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$6,114,456	$4,029,457	$1,123,591	$648,871	$272,234	$40,303
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$183,505	$460,215	$156,209	($252,443)	($197,373)	$16,897

School Jurisdiction Code: 6021

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$211,152
Base Instruction (Gr 1-12)	$3,078,007
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$1,759,168
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$4,496
Provincial Priority Targeted Funding	
Class Size Initiative	$152,189
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$65,555
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): fuel funding, one time funding	$34,552
Total Alberta Education Revenues	$5,305,119

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 6021

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$287,082	$120,113	$85,543		$0	$0	$492,738
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$0	$0		$0		$0
English as a Second Language	$636,981	$194,202	$12,454		$0		$843,637
French Language Program & Francisation (all jurisdictions)	$111,556	$32,901	$900		$0		$145,357
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$33,075	$18,749	$18,631	$0	$0		$70,455
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$188,477	$0	$0	$0	$0		$188,477
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$1,692,211	$243,141	$234,378	$120,935	$0	$0	$2,288,793
TOTAL EXPENSES	$2,949,382	$609,106	$351,906	$120,935	$0	$0	$4,029,457

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note:

1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets

School Jurisdiction Code: 6021

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$6,114,456**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$366,867
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$57,222	$366,867
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$366,867**
Less: 2005/2006 Board and System Administration expenses		-$272,234
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$94,633

School Jurisdiction Code: 6021

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$0
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$0	$0	$0	
Student fees (Non-Instructional) (Note 2)	$23,964	$0	$23,964	
Donations and grants to schools	$0	$0	$0	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$23,964	$0		$23,964
Net SGF Available for Spending				$23,964
Application of Net School Generated Funds:				
Extra-curricular activities			$14,924	
School site beautification			$0	
Field Trips			$4,248	
Equipment			$1,511	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended (Note 3)				$20,683
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$3,281

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 6021

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$138,301	$83,291	$0	$0	$759,217	$980,809		$980,809
Supplies	$0	$0	$0	$0	$0	$0		$0
Electricity			$60,215			$60,215		$60,215
Natural Gas/Heating Fuel			$54,642			$54,642		$54,642
Sewer and Water			$10,455			$10,455		$10,455
Telecommunications			$8,944			$8,944		$8,944
Insurance					$8,526	$8,526		$8,526
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$138,301	$83,291	$134,256	$0	$767,743	$1,123,591	$0	$1,123,591
SQUARE METRES								
School Buildings								7,280.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6021

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2005-200

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mohamod Abbas	0.8	$0	$0	$720			$720	$0
Name	Abdulnasser Kadri	0.2	$0	$0	$45			$45	$0
Other Board Members:									
Name	Issa Mosa	1.0	$0	$0	$1,125			$1,125	$0
Name	Mohamod Abbas	0.2	$0	$0	$135			$135	$0
Name	Abdirahman Ainanshe	0.2	$0	$0	$90			$90	$0
Name	Mohamad Eljabali	1.0	$0	$0	$855			$855	$0
Name	Ali Farhan	1.0	$0	$0	$765			$765	$0
Name	Ilias Louati	0.2	$0	$0	$45			$45	$0
Name	Jamil Ajram	0.8	$0	$0	$900			$900	$0
Name	Ahmed Abdullahi	0.8	$0	$0	$945			$945	$0
Name	Bachar Abou Hassan	0.8	$0	$0	$765			$765	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$0*	*$0*	*$6,390*			*$6,390*	*$0*
Superintendent	Pier DePaola	1.0	$118,821	$0	$0	$0	$0	$118,821	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Cindy Roettger	0.6	$44,128	$0	$0	$0	$0	$44,128	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Tracy Hodal	0.4	$21,598	$0	$0	$0	$0	$21,598	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		44.0	$2,674,570	$274,812	$0	$0	$0	$2,949,382	
Uncertificated Salaries & Wages		17.0	$532,392	$76,714	$0	$0	$0	$609,106	
TOTALS			**$3,391,509**	**$351,526**	**$6,390**	**$0**	**$0**	**$3,749,425**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 2125

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Aspen View Regional Division No. 19
Legal Name of School Jurisdiction

3600 - 48 Avenue Athabasca, Alberta T9S 1M8
Mailing Address

Phone: (780) 675-7080 Fax: (780) 675-3660
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Aspen View Regional Division No. 19 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Mr. David Dacyk	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Mr. Derm Madden	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Mr. Dave Holler	"ORIGINAL SIGNED"
Name	Signature

23-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2125

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Wilde
& Company
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Board of Trustees
Aspen View Regional Division No. 19

We have audited the statement of financial position of the Aspen View Regional Division No. 19 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Wilde & Company
Chartered Accountants

Vegreville, Alberta
October 18, 2006

School Jurisdiction Code: 2125

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$1,950,350	$2,490,632
Accounts receivable (net after allowances)		$611,138	$1,076,334
Prepaid expenses		$187,847	$181,301
Other current assets		$4,025,093	$3,024,856
Total current assets		$6,774,428	$6,773,123
School generated assets		$517,030	$505,975
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$317,785	$317,785
Buildings	$30,253,182		
Less: accumulated amortization	($19,539,892)	$10,713,290	$11,639,353
Equipment	$1,412,860		
Less: accumulated amortization	($771,093)	$641,767	$810,761
Vehicles	$738,207		
Less: accumulated amortization	($493,822)	$244,385	$168,008
Total capital assets		$11,917,227	$12,935,907
TOTAL ASSETS		$19,208,685	$20,215,005
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,328,023	$1,919,259
Deferred revenue		$344,856	$491,396
Deferred capital allocations		$0	$90,798
Current portion of all long term debt		$577,841	$571,224
Total current liabilities		$2,250,720	$3,072,677
School generated liabilities		$517,030	$505,975
Trust liabilities		$0	$0
Employee future benefits liability		$238,651	$237,459
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$2,954,824	$3,397,162
Less: Current portion of supported debt		($438,049)	($442,338)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$455,861	$584,747
Mortgages		$0	$0
Less: Current portion of unsupported debt		($139,792)	($128,886)
Other long term liabilities		$0	$0
Unamortized capital allocations		$7,605,756	$8,016,737
Total long term liabilities		$11,194,281	$12,170,856
TOTAL LIABILITIES		$13,445,001	$15,243,533
NET ASSETS			
Unrestricted net assets		$529,913	$364,553
Operating Reserves		$3,837,593	$3,352,630
Accumulated Operating Surplus (Deficit)		$4,367,506	$3,717,183
Investment in capital assets		$900,786	$758,897
Capital Reserves		$495,392	$495,392
Total Capital Funds		$1,396,178	$1,254,289
Total net assets		$5,763,684	$4,971,472
TOTAL LIABILITIES AND NET ASSETS		$19,208,685	$20,215,005

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 2125

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$31,166,751	$29,271,252	$30,364,288
Federal Government and/or First Nations	$813,214	$653,000	$558,129
Other Alberta school authorities	$0	$0	$20,424
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$262,478	$195,650	$248,605
Transportation fees	$0	$0	$0
Other sales and services	$684,909	$348,420	$712,298
Investment income	$209,570	$116,000	$147,715
Gifts and donations	$18,645	$0	$19,599
Rentals of facilities	$42,991	$52,940	$42,750
Net school generated funds	$799,194	$900,000	$739,376
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$853,319	$724,365	$882,503
Total Revenues	$34,851,071	$32,261,627	$33,735,687
EXPENSES			
Certificated salaries	$13,382,813	$13,968,429	$13,208,379
Certificated benefits	$1,537,818	$1,507,439	$1,441,226
Uncertificated salaries and wages	$5,680,373	$4,665,431	$5,283,610
Uncertificated benefits	$1,314,273	$982,007	$1,099,674
Services, contracts and supplies	$9,769,589	$8,690,266	$9,333,881
Net school generated funds	$799,194	$900,000	$739,376
Capital and debt services			
Amortization of capital assets			
Supported	$853,319	$724,365	$882,503
Unsupported	$390,553	$489,961	$396,923
Total Amortization of capital assets	$1,243,872	$1,214,326	$1,279,426
Interest on capital debt			
Supported	$292,354	$325,895	$343,771
Unsupported	$38,573	$0	$49,477
Total Interest on capital debt	$330,927	$325,895	$393,248
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$34,058,859	$32,253,793	$32,778,820
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$792,212	$7,834	$956,867
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$792,212	$7,834	$956,867

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 2125

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$792,212	$956,867
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($853,319)	($882,503)
Total amortization expense	$1,243,872	$1,279,426
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$465,196	$542,709
Prepaids and other current assets	($1,006,783)	$91,482
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($591,236)	($411,827)
Deferred revenue	($146,540)	($206,689)
Employee future benefit expense (recovery)	$1,192	$27,936
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($95,406)	$1,397,401
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($95,615)	$0
Equipment	($16,144)	$0
Vehicles	($113,433)	($25,341)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($225,192)	($25,341)
C. FINANCING ACTIVITIES		
Capital allocations	($90,798)	($295,140)
Issue of long term debt	$0	$0
Repayment of long term debt	($571,224)	($744,295)
Add back: supported portion	$442,338	$565,931
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	($219,684)	($473,504)
Net sources (uses) of cash during year	($540,282)	$898,556
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,490,632	$1,592,076
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$1,950,350	$2,490,632

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 2125

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$4,971,472	$758,897	$364,553	$3,848,022	$2,999,997	$370,000	$0	$125,392	$0	$0	$352,633	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$4,971,472	$758,897	$364,553	$3,848,022	$2,999,997	$370,000	$0	$125,392	$0	$0	$352,633	$0	$0	$0
Excess(def) of revenue over expenses	$792,212		$792,212											
Board funded capital transactions		$225,192	($225,192)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,243,872)	$1,243,872											
Amortization of capital allocations		$853,319	($853,319)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$307,250	($307,250)											
Net transfers to operating reserves			($1,021,455)	$1,021,455	$907,316		$0		$0		$114,139		$0	
Net transfers from operating reserves			$536,492	($536,492)	($536,492)		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$5,763,684	$900,786	$529,913	$4,332,985	$3,370,821	$370,000	$0	$125,392	$0	$0	$466,772	$0	$0	$0

School Jurisdiction Code: 2125

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$90,798	$8,016,737
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$90,798	$8,016,737
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$0	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$147	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	($90,945)	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$442,338
Expended capital allocations - current year	$0	$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$853,319
Balance at August 31, 2006	$0	$7,605,756

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis at the following rates:
Buildings - 2.5 to 10%
Equipment - 20%
Vehicles - 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Aspen View Regional Division No. 19 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $390,624 for the year ended August 31, 2006 (2005 - $326,918). At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency of $1,288,924,000).

f) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

g) Financial Instruments

These consist of cash, marketable securities, accounts receivable, accounts payable, accrued liabilities and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

i) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

j) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2006, the recorded obligation is $238,651 (2005 - $237,459). The total expense recorded in the financial statements is $1,192 (2005 - $27,936).

k) Investments

Long term investments are valued at the cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. **ACCOUNTS RECEIVABLE**	**2006**	**2005**
Provincial government grants	$ 261,751	$ 804,683
Federal government	168,605	173,229
Other accounts receivable	180,782	98,422
	$ 611,138	$ 1,076,334

4. **CAPITAL ASSETS**	Cost	Accumulated Amortization	Net Book Value **2006**	Net Book Value **2005**
Land	$ 317,785	$ -	$ 317,785	$ 317,785
Buildings	30,253,182	(19,539,892)	10,713,290	11,639,353
Equipment	1,412,860	(771,093)	641,767	810,761
Vehicles	738,207	(493,822)	244,385	168,008
	$ 32,722,034	$ (20,804,807)	$ 11,917,227	$ 12,935,907

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	**2005**
Due to Province	$ 222,676	$ 325,781
Other trade payables and accrued liabilities	1,105,347	1,593,478
	$ 1,328,023	$ 1,919,259

6. DEFERRED REVENUE

	2006	**2005**
Infrastructure maintenance and modernization programs (IMP)	$ 35,531	$ 295,165
Infrastructure maintenance and modernization programs (IMR)	221,167	-
Alberta Learning funding	-	78,000
Alberta initiative for school improvement	64,490	53,938
Student health initiative trust	-	34,626
Other	23,668	29,667
	$ 344,856	$ 491,396

7. LONG TERM DEBT

Debenture Debt - Supported

a) The debenture debt bears interest at rates varying between 8% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	2006	2005
Debentures	$ 2,954,824	$ 3,397,162
Less current portion of debt	438,049	442,338
	$ 2,516,775	$ 2,954,824

School Year	Principal	Interest	Total
2006-2007	$ 438,049	$ 282,080	$ 720,129
2007-2008	400,143	195,276	595,419
2008-2009	389,343	156,423	545,766
2009-2010	389,343	118,865	508,208
2010-2011	292,993	81,308	374,301
2012 to maturity	606,904	100,650	707,554
	$ 2,516,775	$ 934,602	$ 3,451,377

b) Capital Lease - Unsupported

The school jurisdiction has entered into a five year capital lease obligation with Xerox for the lease of photocopiers throughout the school jurisdiction. The lease commenced July 1, 2004 and expires June 30, 2009. The annual payments of $256,000 plus GST consists of the following components: annual copy charge of $81,690 (based on 9,725,000 copies at $.0084 per copy) and a blended capital lease payment of $178,364 bearing interest at 8.15%. The blended capital lease payments are due over the next three years as follows:

	2006	2005
Capital lease obligation	$ 455,861	$ 584,747
Less current portion of debt	139,792	128,886
	$ 316,069	$ 455,861

School Year	Principal	Interest	Total
2006-2007	$ 139,792	$ 38,572	$ 178,364
2007-2008	151,620	26,744	178,364
2008-2009	164,449	13,915	178,364
	$ 455,861	$ 79,231	$ 535,092

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

During 2004-05, Alberta Infrastructure authorized the use of previously restricted deferred capital allocations to fund projects at two schools. These projects, by nature, are recorded as repairs. The two projects were completed during the 2005-06 school year. Based on the authorization from Alberta Infrastructure, $90,945 (2005- $303,607) of deferred allocations were transferred to operating revenues to offset the cost of the repair projects. These funds form part of Infrastructure Funding reported in the financial statements.

	2006	2005
Consisting of:		
Opening balance	$ 90,798	$ 385,938
Interest earned	147	8,467
Authorized transfer to operations	(90,945)	(303,607)
Balance, end of year	$ -	$ 90,798

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations expended, as well as fully supported debenture principal repayments.

	2006	2005
Consisting of:		
Opening balance	$ 8,016,737	$ 8,333,309
Supported debenture loan principal repayments	442,338	565,931
Less capital allocation for amortization	(853,319)	(882,503)
	$ 7,605,756	$ 8,016,737

10. OPERATING RESERVES

	Opening	Transfer to operating revenues	Transfer from operating revenues	Closing
Instruction - schools	$ 1,159,619	$ (536,492)	$ 551,074	$ 1,174,201
Instruction - general	1,000,000	-	-	1,000,000
Transportation	352,633	-	114,139	466,772
Operating contingency	530,852	-	229,242	760,094
Virtual school support	-	-	91,000	91,000
Career Counseling/Scholarship	-	-	16,000	16,000
SGF Software	-	-	20,000	20,000
Severe disabilities	129,526	-	-	129,526
Video conferencing	180,000	-	-	180,000
	$ 3,352,630	$ (536,492)	$ 1,021,455	$ 3,837,593

11. CAPITAL RESERVES

	Opening	Transfer to Reserve	Transfers From Reserves	Closing
Buildings	$ 95,000	$ -	$ -	$ 95,000
Equipment	370,000	-	-	370,000
Other	30,392	-	-	30,392
Balance, end of period	$ 495,392	$ -	$ -	$ 495,392

12. DISCLOSURE OF SALARY AND BENEFITS

	FTE	Salaries & Wages	Benefits & Allowances	Total	Reimbursed Expenses
Dacyk, David	1	$ 20,795	$ 1,750	$ 22,545	$ 11,472
Carstens, Dana	1	12,050	351	12,401	9,469
Genert, Laurie	1	13,326	2,807	16,133	8,853
Gerlach, Joe	1	8,307	3,194	11,501	3,908
Koehler, Edgar	1	10,831	2,989	13,820	6,852
Kowalchuk, Wes	1	13,575	383	13,958	8,494
Ponich, Paul	1	14,691	15	14,706	11,035
Sequeira, Rita	1	13,020	2,277	15,297	7,284
Zenko, Ed	1	13,355	3,539	16,894	9,018
Superintendent	1	134,366	14,902	149,268	8,453
Secretary/Treasurer	1	88,640	16,388	105,028	5,652
Salaries - Certificated	195.7	13,248,447	1,522,916	14,771,363	
Salaries - Uncertificated	198.6	$ 5,471,783	1,280,580	6,752,363	
		19,063,186	$ 2,852,091	$ 21,915,277	

13. INDEBTEDNESS

a) Line of credit

The jurisdiction has a line of credit in the amount of $1,000,000 that bears interest at bank prime less 1/4%. This line of credit is secured by a borrowing bylaw and a security agreement. There was no balance outstanding on the line of credit at August 31, 2006.

b) Credit cards

The jurisdiction has approved a combined credit card charge limit of $400,000. The balances are paid in full each month by the due date and no interest charges were incurred during the year. The combined credit card balance outstanding at August 31, 2006 is $163,720.

14. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 15, 2005. It is presented for information purposes only.

15. COMMITMENTS

i) Operating lease

The school jurisdiction is committed to future operating lease payments on office and maintenance shop premises. Certain of these operating leases provide for annual renewal options which are expected to be exercised. Annual building lease costs are currently $69,462.

16. CONTINGENCIES

Contingent Assets

The jurisdiction is a member of a reciprocal insurance exchange called Genesis. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of the equity is subject to liability claims.

Contingent Liabilities

The jurisdiction is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (Genesis). Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

17. RELATED PARTY TRANSACTIONS

Effective 2005-06, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of the school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Aspen View Regional Division #19 had related party transactions for the year ended August 31, 2006 with the Grand Yellowhead Regional Division recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amount of consideration agreed upon between the related parties.

	Balances		Transactions	
2005/06	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta				
Education	$ 39,075	$ 285,657	$ 30,136,744	$ -
Infrastructure & Transportation	-	35,531	384,723	-
Finance	222,676	222,676	292,354	292,354
Health & Wellness	15,000	-	15,000	-
Human Resources/Employment	-	-	-	
Other Gov't of Alberta depts.	-	-	165,857	-
Other				
Health authorities	-	-	-	-
Post-secondary institutions	-	-	-	-
Other Alberta school jurisdictions	28,600	-	172,073	-
Other related parties	-	-	-	-
TOTAL 2005-06	$ 305,351	$ 543,864	$ 31,166,751	$ 292,354
TOTAL 2004-05	$ 825,107	$ 787,510	$ 30,364,288	$ 343,771

18. SCHOOL GENERATED FUNDS

	2006	2005
Balance, beginning of year	$ 505,975	$ 472,770
Source of school generated funds (SGF)		
SGF for the year	1,671,257	1,524,406
Less: cost of generating SGF	(864,666)	(752,703)
Donations received	3,658	878
Net SGF additions for the year	810,249	772,581
Net SGF available for discretionary spending	1,316,224	1,245,351
SGF expended for discretionary purposes	799,194	739,376
Balance, end of year	$ 517,030	$ 505,975

19. ECONOMIC DEPENDENCE

Aspen View Regional Division No. 19's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

SCHEDULE A to the AFS

School Jurisdiction Cod 2125

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$30,323,817	$22,667,060	$2,974,413	$3,645,741	$1,036,603	$0
(2) **Alberta Infrastructure & Transportation**	$384,723	$0	$384,723			
(3) **Alberta Finance**	$292,354		$292,354			$0
(4) **Other - Government of Alberta**	$165,857	$100,000	$0	$0	$0	$65,857
(5) **Federal Government and/or First Nations**	$813,214	$661,734	$109,257	$0	$42,223	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$262,478	$262,478				
(10) **Transportation fees**	$0			$0		
(11) **Other sales and services**	$684,909	$253,352	$277,698	$523	$153,336	$0
(12) **Investment income**	$209,570	$0	$0	$0	$209,570	$0
(13) **Gifts and donations**	$18,645	$18,645	$0	$0		$0
(14) **Rentals of facilities**	$42,991	$0	$42,991	$0	$0	$0
(15) **Net school generated funds**	$799,194	$799,194			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$853,319	$0	$853,319	$0		$0
(18) **TOTAL REVENUES**	$34,851,071	$24,762,463	$4,934,755	$3,646,264	$1,441,732	$65,857
EXPENSES						
(19) **Certificated salaries**	$13,382,813	$13,187,929			$194,884	$0
(20) **Certificated benefits**	$1,537,818	$1,515,783			$22,035	$0
(21) **Uncertificated salaries and wages**	$5,680,373	$3,583,582	$1,443,618	$104,541	$513,360	$35,272
(22) **Uncertificated benefits**	$1,314,273	$862,070	$319,729	$24,683	$100,062	$7,729
(23) **SUB - TOTAL**	$21,915,277	$19,149,364	$1,763,347	$129,224	$830,341	$43,001
(24) **Services, contracts & supplies**	$9,769,589	$3,521,580	$2,252,817	$3,399,249	$573,087	$22,856
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$799,194	$799,194				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$853,319	$0	$853,319	$0	$0	$0
(28) Unsupported	$390,553	$165,591	$188,061	$2,915	$33,986	$0
(29) Total Amortization	$1,243,872	$165,591	$1,041,380	$2,915	$33,986	$0
Interest on capital debt						
(30) Supported	$292,354	$0	$292,354	$0	$0	$0
(31) Unsupported	$38,573	$33,851	$594	$737	$3,391	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$34,058,859	$23,669,580	$5,350,492	$3,532,125	$1,440,805	$65,857
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$792,212	$1,092,883	($415,737)	$114,139	$927	$0

School Jurisdiction Code: 2125

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$506,256
Base Instruction (Gr 1-12)	$15,797,500
Outreach Programs	$52,020
Home Education	$8,904
Differential Cost Funding *	$12,523,379
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$37,676
Provincial Priority Targeted Funding	
Class Size Initiative	$562,121
Student Health Initiative (SHI)	$187,073
Alberta Initiative for School Improvement (AISI)	$408,698
High Speed Networking	$96,672
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): O&Mppa11280;F.F.ppa4402;HSNetppa13370;textbooks78000;Onetime36466	$143,518
Total Alberta Education Revenues	$30,323,817

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 2125

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,164,097	$1,530,933	$391,404		$0	$0	$3,086,434
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$254,054	$342,280	$12,627		$0		$608,961
ECS Program Unit (PUF)	$0	$187,067	$57,375		$0		$244,442
Severe Disabilities (Gr 1-12)	$718,369	$1,471,375	$237,868		$0		$2,427,612
English as a Second Language	$0	$44,583	$756		$0		$45,339
French Language Program & Francisation (all jurisdictions)	$448,448	$43,019	$5,521		$0		$496,988
First Nations, Metis and Inuit Education (ECS - Gr 12)	$54,518	$98,413	$29,537		$0		$182,468
Home Education	$0	$0	$9,734		$0		$9,734
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$351,242	$0	$57,456	$0	$0		$408,698
Student Health Initiative	$44,313	$114,008	$63,340		$0		$221,661
High Speed Networking			$126,769		$0		$126,769
Class Size	$564,000	$0	$0	$0	$0		$564,000
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$11,104,671	$613,974	$1,965,837	$563,357	$0	$998,636	$15,246,474
TOTAL EXPENSES	$14,703,712	$4,445,652	$2,958,224	$563,357	$0	$998,636	$23,669,580

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	3.2	7.4
ECS Program Unit (PUF)	0.0	5.2
Severe Disabilities (Gr 1-12)	8.9	41.9

Note:

[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 2125

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$34,058,859**
STEP 1 **Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses**		
If "Total Net Enrolled Students" are 6,000 and over = 4%		**5.41%**
If "Total Net Enrolled Students" are 2,000 and less = 6%		
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE. EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%. Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.		
STEP 2 **Calculate maximum expense limit AMOUNTS for Board and System Administration expenses**		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,842,584
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$1,842,584**
Less: 2005/2006 Board and System Administration expenses		-$1,440,805
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$401,779

School Jurisdiction Code: 2125

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$505,975
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,237,772	$464,638	$773,134	
Student fees (Non-Instructional) (Note 2)	$0	$0	$0	
Donations and grants to schools	$3,658	$994	$2,664	
Other (describe): cafeteria	$433,485	$399,034	$34,451	
Net Additions to SGF	$1,674,915	$864,666		$810,249
Net SGF Available for Spending				$1,316,224
Application of Net School Generated Funds:				
Extra-curricular activities			$364,255	
School site beautification			$373	
Field Trips			$164,442	
Equipment			$37,157	
Family literacy and other community resources			$13,477	
Other (describe): Grad fundraising/fees, other programs - swimming, sports, exchange trips			$219,490	
Net SGF Expended (Note 3)				$799,194
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$517,030

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 2125

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$715,640	$496,414	$0	$0	$231,564	$1,443,618		$1,443,618
Uncertificated benefits	$168,439	$105,258	$0	$0	$46,032	$319,729		$319,729
Sub-total Remuneration	$884,079	$601,672	$0	$0	$277,596	$1,763,347		$1,763,347
Contracted Services	$117,075	$106,675	$0	$710,089	$46,171	$980,010		$980,010
Supplies	$72,233	$121,543	$0	$0	$45,195	$238,971		$238,971
Electricity			$425,930			$425,930		$425,930
Natural Gas/Heating Fuel			$405,505			$405,505		$405,505
Sewer and Water			$60,550			$60,550		$60,550
Telecommunications			$13,374			$13,374		$13,374
Insurance					$128,477	$128,477		$128,477
Amortization of capital assets								
Supported							$853,319	$853,319
Unsupported						$188,061		$188,061
Total Amortization						$188,061	$853,319	$1,041,380
Interest on capital debt								
Supported							$292,354	$292,354
Unsupported				$0		$594		$594
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$1,073,387	$829,890	$905,359	$710,089	$497,439	$4,204,819	$1,145,673	$5,350,492
SQUARE METRES								
School Buildings								54,190.3
Non School Buildings								155.5

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2125

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	David Dacyk	1.0	$20,795	$1,750	$0			$22,545	$11,472
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Dana Carstens	1.0	$12,050	$351	$0			$12,401	$9,469
Name	Laurie Genert	1.0	$13,326	$2,807	$0			$16,133	$8,853
Name	Joe Gerlach	1.0	$8,307	$3,194	$0			$11,501	$3,908
Name	Edgar Koehler	1.0	$10,831	$2,989	$0			$13,820	$6,852
Name	Wes Kowalchuk	1.0	$13,575	$383	$0			$13,958	$8,494
Name	Paul Ponich	1.0	$14,691	$15	$0			$14,706	$11,035
Name	Rita Sequeira	1.0	$13,020	$2,277	$0			$15,297	$7,284
Name	Ed Zenko	1.0	$13,355	$3,539	$0			$16,894	$9,018
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$119,950*	*$17,305*	*$0*			*$137,255*	*$76,385*
Superintendent	Rudi Grab, PhD	0.7	$98,870	$12,967	$0	$0		$111,837	$8,452
Superintendent	Derm Madden	0.3	$35,496	$1,935	$0	$0	$0	$37,431	$0
Secretary/Treasurer	Dave Holler	1.0	$88,640	$16,388	$0	$0	$0	$105,028	$5,652
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		195.7	$13,248,447	$1,522,916	$0	$0	$0	$14,771,363	
Uncertificated Salaries & Wages		198.6	$5,471,783	$1,280,580	$0	$0	$0	$6,752,363	
TOTALS			**$19,063,186**	**$2,852,091**	**$0**	**$0**	**$0**	**$21,915,277**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 6020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Aurora School Ltd.
Legal Name of School Jurisdiction

8755-170 Street, Edmonton AB T5R 5Y6
Mailing Address

Phone: (780) 735-2502 Fax: (780) 735-2598
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Aurora School Ltd
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Debra King	**"ORIGINAL SIGNED"**
Name	Signature

SUPERINTENDENT

Ross Johnston	**"ORIGINAL SIGNED"**
Name	Signature

SECRETARY TREASURER OR TREASURER

Holly Maccagno	**"ORIGINAL SIGNED"**
Name	Signature

2-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 6020

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KRP LLP
KINGSTON•ROSS•PASNAK

October 3, 2006
Edmonton, Alberta

Auditors' Report

To the members of Aurora School Ltd.:

We have audited the statement of financial position of the Aurora School Ltd. as at August 31, 2006 and the statements of revenues and expenses, cash flows and changes in net assets for the year then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School as at August 31, 2006 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Kingston Ross Pasnak LLP

Kingston Ross Pasnak LLP
Chartered Accountants

School Jurisdiction Code: 6020

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$4,283,963	$3,626,894
Accounts receivable (net after allowances)		$21,151	$82,356
Prepaid expenses		$0	$0
Other current assets		$0	$0
Total current assets		$4,305,114	$3,709,250
School generated assets		$0	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$672,540		
Less: accumulated amortization	($513,421)	$159,119	$195,031
Equipment	$191,370		
Less: accumulated amortization	($180,526)	$10,844	$14,424
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$169,963	$209,455
TOTAL ASSETS		$4,475,077	$3,918,705
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$207,407	$257,852
Deferred revenue		$101,071	$749,945
Deferred capital allocations		$0	$0
Current portion of all long term debt		$24,441	$23,194
Total current liabilities		$332,919	$1,030,991
School generated liabilities		$0	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$82,002	$105,196
Mortgages		$0	$0
Less: Current portion of unsupported debt		($24,441)	($23,194)
Other long term liabilities		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$57,561	$82,002
TOTAL LIABILITIES		$390,480	$1,112,993
NET ASSETS			
Unrestricted net assets		$3,594,491	$2,310,809
Operating Reserves		$402,146	$390,646
Accumulated Operating Surplus (Deficit)		$3,996,637	$2,701,455
Investment in capital assets		$87,960	$104,257
Capital Reserves		$0	$0
Total Capital Funds		$87,960	$104,257
Total net assets		$4,084,597	$2,805,712
TOTAL LIABILITIES AND NET ASSETS		$4,475,077	$3,918,705

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 6020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$3,700,797	$2,900,800	$2,790,705
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$37,323	$30,000	$36,615
Transportation fees	$61,728	$0	$0
Other sales and services	$8,686	$0	$7,434
Investment income	$105,266	$38,000	$70,334
Gifts and donations	$0	$0	$0
Rentals of facilities	$6,842	$0	$2,425
Net school generated funds	$29,850	$30,000	$26,027
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$3,950,492	$2,998,800	$2,933,540
EXPENSES			
Certificated salaries	$1,531,695	$1,531,200	$1,365,584
Certificated benefits	$184,214	$198,600	$170,669
Uncertificated salaries and wages	$120,870	$111,000	$158,110
Uncertificated benefits	$17,258	$29,700	$23,164
Services, contracts and supplies	$740,400	$794,500	$658,366
Net school generated funds	$29,850	$30,000	$26,027
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$39,491	$28,000	$41,425
Total Amortization of capital assets	$39,491	$28,000	$41,425
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$5,475	$0	$5,984
Total Interest on capital debt	$5,475	$0	$5,984
Other interest charges	$2,354	$2,400	$2,191
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$2,671,607	$2,725,400	$2,451,520
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,278,885	$273,400	$482,020
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$1,278,885	$273,400	$482,020

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 6020

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$1,278,885	$482,020
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$39,491	$41,425
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$61,205	($2,844)
Prepaids and other current assets	$0	$5,200
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($50,445)	($169,875)
Deferred revenue	($648,874)	$207,248
Employee future benefit expense (recovery)	$0	$0
Other (describe) to correct for "rounding"	$1	$0
Total sources (uses) of cash from Operations	$680,263	$563,174
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	($131,163)
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	($131,163)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($23,194)	$105,196
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	($23,194)	$105,196
Net sources (uses) of cash during year	$657,069	$537,207
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$3,626,894	$3,089,687
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$4,283,963	$3,626,894

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 6020

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$2,805,712	$104,257	$2,310,809	$390,646	$250,000	$0	$140,646	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$2,805,712	$104,257	$2,310,809	$390,646	$250,000	$0	$140,646	$0	$0	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$1,278,885		$1,278,885											
Board funded capital transactions		$23,194	($23,194)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($39,491)	$39,491											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			($11,500)	$11,500	$0		$0		$0		$11,500		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$4,084,597	$87,960	$3,594,491	$402,146	$250,000	$0	$140,646	$0	$0	$0	$11,500	$0	$0	$0

School Jurisdiction Code: 6020

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$0	$0
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$0	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2006	$0	$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

AURORA SCHOOL LTD.

August 31, 2006

Note 1

Incorporation and Operations

Aurora School Ltd. ("the School") is a non-profit charter school incorporated under the Companies Act of Alberta. The School is governed by the School Act and the related Chartered Schools regulations. The School has been operating as a chartered school by Alberta Education for ten years beginning September 1996.

Note 2

Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following accounting policies:.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Included in this balance is $101,071(2005 -$749,945) subject to restrictions that prevent its use for current purposes.

Short-term investments

Short term investments are valued at the lower of cost and market value. Market value at August 31, 2006 was $3,715,708 (2005 - $2,883,229).

Property and equipment

Property, plant and equipment are initially recorded at cost. Amortization is provided using the straight-line method at rates intended to amortize the cost of the assets over their useful lives.

	Method	Rate
Portable classroom buildings	Straight-line	10%
Furniture and fixtures	Straight-line	5%
Improvements to building and grounds	Straight-line	10%
Computer Hardware	Straight-line	33%
Computer Software	Straight-line	50%

Improvements to building and grounds are amortized over the remaining term of the lease.

Income Taxes

Aurora School is registered charity and is exempt from income taxes under subsection 149.1(1) of the Income Tax Act.

Note 2
Significant Accounting Policies (Continued)

Revenue Recognition

Aurora School follows the deferral method of accounting for contributions. Restricted contributions from government, member organizations and donors are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions from Government, resource fees, interest, fundraising and rental are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donation revenues are recognized when received.

Contributed Services

Volunteers contribute many hours to assist the school in performing its function. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Pensions

The School's employment contracts have no provision for employer contributions to a pension plan. The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The significant estimates pertain to economic lives of property and equipment.

AURORA SCHOOL LTD.

August 31, 2006

Note 3
Property and equipment

	Cost	Accumulated Amortization	2006 Net Book Value	2005 Net Book Value
Portable classroom buildings	$ 255,961	$ 96,842	$ 159,119	$ 184,715
Furniture and fixtures	71,598	60,754	10,844	14,424
Improvements to building and grounds	416,579	416,579	-	10,316
Computer hardware	109,016	109,016	-	-
Computer software	10,756	10,756	-	-
	$ 863,910	$ 693,947	$ 169,963	$ 209,455

Amortization provided for in the current year totaled $39,491; (2005 - $41,425).

Portable classroom buildings include assets under capital lease with a gross cost of $123,617 and accumulated amortization of $24,724 (2005 - $12,362).

AURORA SCHOOL LTD.

August 31, 2006

Note 4
Deferred Contributions

		2006		2005
Donner Canadian Foundation	$	37,153	$	41,337
Contributions for video conferencing		30,000		-
Small Class Initiative		17,634		-
Sundry donors for playground development		16,284		21,284
Contributions for operations - Alberta Infrastructure		-		687,324
	$	101,071	$	749,945

The deferred contributions represent resources which are restricted by the contributors as to their use. As a result of these restrictions, cash in the amounts of $101,071 (2005 - 749,945) is restricted.

In the past, the school received funds from Alberta Infrastructure that were deferred if the funds received were in excess of amounts spent. The current year's government guidelines state that all previously deferred and current year operations and maintenance funding is considered 'flexible' and is to be recognized as 2005-2006 revenue. This resulted in the prior years' deferred Alberta Infrastructure funding being recognized as revenue in the current year.

The School has spent $4,184 (2005 - 7,166) of the Donner Canadian Foundation contributions during the year. The remaining funds are to be spent on the biological science program.

In prior years, the School has received various donations for playground development. In the current year $5,000 was returned to a donor.

AURORA SCHOOL LTD.

August 31, 2006

Note 5
Capital lease obligation

	2006	2005
Obligation under capital lease payable in equal monthly installments of $2,389 plus interest at prime plus 1% due October 2009.	$ 82,002	$ 105,196
Less Current portion	24,441	23,194
	$ 57,561	$ 82,002

Minimum lease payments related to obligation under capital lease are as follows:

2007	$ 28,164
2008	28,164
2009	28,164
2010	4,694
	89,186
Less: imputed interest	7,184
Less: current portion	24,441
	$ 57,561

Note 6
Commitments

Aurora School Ltd's is committed under the terms of a premises commitment expiring in August 2007 to annual rent plus operating costs estimated to be $240,000 for the 2007 school year.

AURORA SCHOOL LTD.

August 31, 2006

Note 7
Internal restrictions on net assets

As the School is not permitted to borrow funds, the Board has appropriated surpluses to provide for the following future commitments and/or contractual obligations

a) Relocation costs $150,000

This internal restriction of net assets will provide for future relocation costs as the School is reviewing options to relocate to a new facility.

b) Curriculum development $100,000

This internal restriction of net assets will provide for any costs associated with the School developing a high school program.

c) Building and grounds maintenance $140,646

This internal restriction of net assets will provide for upgrades and improvements to the school as required under the occupancy agreement. (Note 5)

d) Transportation reserve $11,500

This internal restriction of net assets will provide for future transportation costs.

Note 8
Financial Instruments

The School's financial instruments consist of cash, accounts receivable, accounts payable, and accrued liabilities and capital lease obligations. It is managements opinion that the School is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair value
The carrying values of cash, accounts receivable and accounts payable approximate their fair value due to the short-term maturities of these instruments. Financial instruments also include a capital lease obligation (Note 5). Management considers that no events have occurred subsequent to the arrangement of this lease that would indicate that fair value differs substantially from carrying value.

Interest rate risk
The School is exposed to interest rate risk with respect to the amount of interest earned annually from cash funds on deposit with financial institutions as well as interest rate risk on its $82,002 capital lease obligation which has a floating rate instrument. The School has not entered into financial instruments to hedge against this risk.

AURORA SCHOOL LTD.

August 31, 2006

Note 9
Fundraising

	2006	2005
Revenues	$ 40,325	$ 49,941
Expenses	(17,105)	(31,169)
	$ 23,220	$ 18,772

Note 10
Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation. The prior year comparative figures were audited by another firm of Chartered Accountants.

SCHEDULE A to the AFS

School Jurisdiction Cod 6020

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$2,735,581	$2,313,583	$285,511	$79,265	$57,222	$0
(2) **Alberta Infrastructure & Transportation**	$965,216	$0	$965,216			
(3) **Alberta Finance**	$0		$0			$0
(4) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$37,323	$37,323				
(10) **Transportation fees**	$61,728			$61,728		
(11) **Other sales and services**	$8,686	$0	$0	$0	$0	$8,686
(12) **Investment income**	$105,266	$0	$105,266	$0	$0	$0
(13) **Gifts and donations**	$0	$0	$0	$0		$0
(14) **Rentals of facilities**	$6,842	$6,842	$0	$0	$0	$0
(15) **Net school generated funds**	$29,850	$29,850			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(18) **TOTAL REVENUES**	$3,950,492	$2,387,598	$1,355,993	$140,993	$57,222	$8,686
EXPENSES						
(19) **Certificated salaries**	$1,531,695	$1,531,695			$0	$0
(20) **Certificated benefits**	$184,214	$184,214			$0	$0
(21) **Uncertificated salaries and wages**	$120,870	$120,870	$0	$0	$0	$0
(22) **Uncertificated benefits**	$17,258	$17,258	$0	$0	$0	$0
(23) **SUB - TOTAL**	$1,854,037	$1,854,037	$0	$0	$0	$0
(24) **Services, contracts & supplies**	$740,400	$217,764	$256,766	$129,493	$127,691	$8,686
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$29,850	$29,850				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$0	$0	$0	$0	$0	$0
(28) Unsupported	$39,491	$0	$39,491	$0	$0	$0
(29) Total Amortization	$39,491	$0	$39,491	$0	$0	$0
Interest on capital debt						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$5,475	$0	$5,475	$0	$0	$0
(32) Other interest charges	$2,354	$0	$2,354	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$2,671,607	$2,101,651	$304,086	$129,493	$127,691	$8,686
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$1,278,885	$285,947	$1,051,907	$11,500	($70,469)	$0

School Jurisdiction Code: 6020

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$89,040
Base Instruction (Gr 1-12)	$2,004,278
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$504,140
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$1,907
Provincial Priority Targeted Funding	
Class Size Initiative	$85,998
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$52,125
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe):	($1,907)
Total Alberta Education Revenues	$2,735,581

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 6020

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$141,418	$138,128	$46,818		$0	$0	$326,364
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$0	$0		$0		$0
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$858		$0		$858
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$0	$52,125	$0	$0		$52,125
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$68,490	$0	$17,508	$0	$0		$85,998
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$1,506,001	$0	$130,305	$1,907	$0	$0	$1,636,306
TOTAL EXPENSES	$1,715,909	$138,128	$247,614	$1,907	$0	$0	$2,101,651

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 6020

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		$2,671,607

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$160,296

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $57,222	$57,222	$160,296
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		$160,296
Less: 2005/2006 Board and System Administration expenses		-$127,691
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$32,605

School Jurisdiction Code: 6020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$0
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$40,325	$17,105	$23,220	
Student fees (Non-Instructional) (Note 2)	$0	$0	$0	
Donations and grants to schools	$6,630	$0	$6,630	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$46,955	$17,105		$29,850
Net SGF Available for Spending				$29,850
Application of Net School Generated Funds:				
Extra-curricular activities			$27,920	
School site beautification			$0	
Field Trips			$0	
Equipment			$1,930	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended (Note 3)				$29,850
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 6020

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$0	$0	$253,659	$0	$0	$253,659		$253,659
Supplies	$0	$0	$0	$0	$0	$0		$0
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$3,107			$3,107		$3,107
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$0	$0
Unsupported						$39,491		$39,491
Total Amortization						$39,491	$0	$39,491
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$5,475		$5,475
Other interest charges						$2,354		$2,354
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$0	$0	$256,766	$0	$0	$304,086	$0	$304,086
SQUARE METRES								
School Buildings								4,003.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6020

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Debra King	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Klaus Zerulla	1.0	$0	$0	$0			$0	$0
Name	Ron Hiebert	1.0	$0	$0	$0			$0	$0
Name	Elizabeth Emslie	1.0	$0	$0	$0			$0	$0
Name	Don Wilson	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*5.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Ross Johnston*	1.0	$41,806	$0	$0	$4,000	$0	$45,806	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Holly Maccagno*	0.2	$12,300	$0	$0	$500	$0	$12,800	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		23.7	$1,494,485	$184,214	$0	$37,210	$0	$1,715,909	
Uncertificated Salaries & Wages		3.5	$116,460	$17,258	$0	$4,410	$0	$138,128	
TOTALS			**$1,665,051**	**$201,472**	**$0**	**$46,120**	**$0**	**$1,912,643**	

Note: Please refer to completion information on page 15

PLEASE NOTE that "Superintendent" and "Secretary/Treasurer" are NOT salaried employees - their remuneration is included in "Services, Contracts & Supplies"

School Jurisdiction Code: 2285

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Battle River Regional Division #31
Legal Name of School Jurisdiction

5402 48A Ave. Camrose AB T4V 0L3
Mailing Address

Telephone (780) 672-6131 Fax (780) 672-6137
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Battle River Regional Division #31
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Brenda Herder	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Dr. Warren Phillips	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

William Schulte	"ORIGINAL SIGNED"
Name	**Signature**

23-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2285

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HARBERG NIKIFORUK WOOD LLP
Chartered Accountants

4602 - 49 Avenue
Camrose, AB
T4V 0M6

* Brian W. Harberg, CA
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E-Mail hnw@hnw-ca.com

AUDITORS' REPORT

To the Board of Trustees
Battle River Regional Division No. 31

We have audited the statement of financial position of the Battle River Regional Division No. 31 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

"ORIGINAL SIGNED"

Chartered Accountants

Camrose, Alberta
November 22, 2006

School Jurisdiction Code: 2285

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$11,503,223	$9,527,231
Accounts receivable (net after allowances)		$1,208,218	$2,334,292
Prepaid expenses		$457,453	$542,146
Other current assets		$574,622	$521,144
Total current assets		$13,743,516	$12,924,813
School generated assets		$890,256	$819,927
Trust assets		$624,099	$198,356
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,151,724	$1,151,724
Buildings	$70,744,554		
Less: accumulated amortization	($37,226,804)	$33,517,750	$35,537,382
Equipment	$5,866,432		
Less: accumulated amortization	($3,675,555)	$2,190,877	$1,672,207
Vehicles	$9,190,298		
Less: accumulated amortization	($5,671,951)	$3,518,347	$4,217,562
Total capital assets		$40,378,698	$42,578,875
TOTAL ASSETS		$55,636,569	$56,521,971
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,039,912	$3,199,670
Deferred revenue		$656,283	$971,323
Deferred capital allocations		$23,668	$41,146
Current portion of all long term debt		$998,221	$1,149,983
Total current liabilities		$4,718,084	$5,362,122
School generated liabilities		$890,256	$819,927
Trust liabilities		$624,099	$198,356
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$7,765,700	$8,915,683
	Less: Current portion of supported debt	($998,221)	($1,149,983)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$14,985,730	$14,880,555
Total long term liabilities		$23,267,564	$23,664,538
TOTAL LIABILITIES		$27,985,648	$29,026,660
NET ASSETS			
Unrestricted net assets		$1,216,033	$1,290,166
Operating Reserves		$8,651,187	$7,264,066
Accumulated Operating Surplus (Deficit)		$9,867,220	$8,554,232
Investment in capital assets		$17,627,268	$18,782,637
Capital Reserves		$156,433	$158,442
Total Capital Funds		$17,783,701	$18,941,079
Total net assets		$27,650,921	$27,495,311
TOTAL LIABILITIES AND NET ASSETS		$55,636,569	$56,521,971

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 2285

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$61,390,894	$59,682,915	$59,546,821
Federal Government and/or First Nations	$91,025	$0	($1,773)
Other Alberta school authorities	$12,304	$0	$11,113
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$50,790
Instruction resource fees	$556,859	$503,179	$576,406
Transportation fees	$25,283	$21,600	$18,296
Other sales and services	$969,119	$471,500	$662,103
Investment income	$429,323	$150,000	$237,225
Gifts and donations	$50,822	$10,360	$57,633
Rentals of facilities	$16,431	$12,000	$30,179
Net school generated funds	$1,209,614	$1,200,000	$1,003,820
Gains on disposal of capital assets	$6,002	$0	$32,957
Amortization of capital allocations	$1,542,483	$1,526,884	$1,526,875
Total Revenues	$66,300,159	$63,578,438	$63,752,445
EXPENSES			
Certificated salaries	$31,751,633	$31,089,149	$31,529,129
Certificated benefits	$3,059,137	$2,992,007	$3,085,574
Uncertificated salaries and wages	$11,578,268	$10,709,030	$10,675,584
Uncertificated benefits	$1,955,401	$2,394,372	$1,852,168
Services, contracts and supplies	$12,292,025	$12,733,401	$11,836,432
Net school generated funds	$1,209,614	$1,200,000	$1,003,820
Capital and debt services			
Amortization of capital assets			
Supported	$1,542,483	$1,526,884	$1,526,875
Unsupported	$1,902,804	$2,103,054	$2,103,138
Total Amortization of capital assets	$3,445,287	$3,629,938	$3,630,013
Interest on capital debt			
Supported	$835,659	$897,647	$953,181
Unsupported	$0	$0	$0
Total Interest on capital debt	$835,659	$897,647	$953,181
Other interest charges	$224	$0	$140
Losses on disposal of capital assets	$17,301	$0	$9,818
Total Expenses	$66,144,549	$65,645,544	$64,575,859
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$155,610	($2,067,106)	($823,414)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$155,610	($2,067,106)	($823,414)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 2285

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$155,610	($823,414)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($1,542,483)	($1,526,875)
Total amortization expense	$3,445,287	$3,630,013
Gains on disposal of capital assets	($6,002)	($32,957)
Losses on disposal of capital assets	$17,301	$9,818
Changes in accrued accounts:		
Accounts receivable	$1,126,074	($213,852)
Prepaids and other current assets	$31,215	$310,159
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($159,758)	($862,373)
Deferred revenue	($315,040)	$528,605
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$2,752,204	$1,019,124
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($316,996)	($367,936)
Equipment	($896,071)	($332,010)
Vehicles	($57,976)	($221,592)
Net proceeds from disposal of capital assets	$14,634	$54,541
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,256,409)	($866,997)
C. FINANCING ACTIVITIES		
Capital allocations	$480,197	$552,511
Issue of long term debt	$0	$0
Repayment of long term debt	($1,149,983)	($1,164,663)
Add back: supported portion	$1,149,983	$1,164,663
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$480,197	$552,511
Net sources (uses) of cash during year	$1,975,992	$704,638
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$9,527,231	$8,822,593
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$11,503,223	$9,527,231

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 2285

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$27,495,311	$18,782,637	$1,290,166	$7,422,508	$4,622,320	$4,212	$421,103	$2,058	$840,273	$1,500	$1,380,370	$150,672	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$27,495,311	$18,782,637	$1,290,166	$7,422,508	$4,622,320	$4,212	$421,103	$2,058	$840,273	$1,500	$1,380,370	$150,672	$0	$0
Excess(def) of revenue over expenses	$155,610		$155,610											
Board funded capital transactions		$773,368	($74,133)	($699,235)	($458,017)	($4,212)	($162,333)	($1,693)	($62,242)	($1,500)	$0	($9,238)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,445,287)	$3,445,287											
Amortization of capital allocations		$1,542,483	($1,542,483)											
Disposal of unsupported capital assets	$0	($25,933)	$11,299	$14,634		$0		$6,002		$0		$8,632		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($2,069,713)	$2,069,713	$318,289		$877,715		$371,532		$502,177		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$27,650,921	$17,627,268	$1,216,033	$8,807,620	$4,482,592	$0	$1,136,485	$6,367	$1,149,563	$0	$1,882,547	$150,066	$0	$0

School Jurisdiction Code: 2285

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$41,146	$14,880,555
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$41,146	$14,880,555
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$220,000	
Infrastructure & Transportation-School/Modular Project Capital *	$244,624	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$15,573	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$1,149,983
Expended capital allocations - current year	($497,675)	$497,675
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$1,542,483
Balance at August 31, 2006	$23,668	$14,985,730

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

BATTLE RIVER REGIONAL DIVISION NO. 31

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2006

1. Authority and Purpose:

Battle River Regional Division No. 31 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The School Jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Summary of Significant Accounting Policies:

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

b) Capital Assets

Capital assets costing greater than $5,000 are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	10 to 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

In the year of acquisition, no amortization is recorded. In year of disposal, a full year of amortization is calculated. Capital assets allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

2. Summary Of Significant Accounting Policies (continued):

c) Prepaid Expense

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses and annual service contracts fall into this category.

d) Inventories

Inventories are recorded at the lower of cost or net realizable value.

e) School Generated Funds

These are funds which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.)

f) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

g) Contributed Services

Volunteers assist schools operated by the Jurisdiction in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is not otherwise purchased, contributed services are not recognized in the financial statements.

h) Pension Obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Battle River Regional Division No. 31 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $357,027 for the year ended August 31, 2006. As at December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency of $1,288,924,000).

2. Summary Of Significant Accounting Policies (continued):

i) Employee Future Benefits

The Jurisdiction accrues its obligations under employee future benefits plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

j) Financial Instruments

The Jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the Jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair market value of the financial instruments approximate their carrying value. The Jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

3. Accounts Receivable:

	2006	2005
Alberta Education	$ 262,618	$ 409,517
Alberta Infrastructure and Transportation	154,583	1,079,584
Alberta Finance	451,882	513,869
Other Province of Alberta	21,300	20,800
Federal Government	103,540	102,186
Alberta Municipalities	6,892	3,468
Other	207,403	204,868
	$ 1,208,218	$ 2,334,292

4. Bank Indebtedness:

The Jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the Jurisdiction. There was no balance outstanding on the line of credit at August 31, 2006.

5. Accounts Payable And Accruals:

	2006	2005
Alberta Education	$ 102,703	$ 195,824
Alberta Finance	451,883	513,869
Other Province of Alberta	39,952	41,486
Federal Government	654,296	643,607
Alberta Municipalities	23,420	4,072
Other Trade Payable and Accrued Liabilities	1,767,658	1,800,812
	$ 3,039,912	$ 3,199,670

6. Deferred Revenue:

	2006	2005
Infrastructure Maintenance and Renewal	$ 512,808	$ 662,672
Infrastructure - other	87,980	-
Fees and other	55,495	27,668
Alberta Initiative for School Improvement	-	52,983
Alberta Education - video conferencing	-	60,000
Alberta Education - textbooks	-	168,000
	$ 656,283	$ 971,323

7. Trust Liabilities:

	2006	2005
Trust funds for scholarships	$ 619,757	$ 187,805
Damage deposits	497	481
Student travel	192	185
Early childhood services	3,653	9,885
	$ 624,099	$ 198,356

8. Long-Term Debt:

a) The debenture debt bears interest rates varying between 7.375% to 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows;

	Principal	Interest	Total
2006-2007	$ 998,221	$ 778,194	$ 1,776,415
2007-2008	998,221	674,995	1,673,216
2008-2009	840,938	571,795	1,412,733
2009-2010	794,071	485,363	1,279,434
2010-2011	725,787	404,223	1,130,010
2011 to maturity	3,408,462	1,158,785	4,567,247
Total	$ 7,765,700	$ 4,073,355	$ 11,839,055

b) As the debentures are fully supported by grants, the amount of working capital (current assets minus current liabilities) available is understated by $998,221 as at August 31, 2006 (2005 - $1,149,983).

BATTLE RIVER REGIONAL DIVISION NO. 31

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED AUGUST 31, 2006

9. Reserves:

Reserves created by authorization of the Board of Trustees represent funds allocated for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with the terms and conditions established by the Board.

	Balance Beginning	Appropriated	Utilized	Balance Ending
Operating				
School	$ 1,974,262	$ -	$ 441,292	$ 1,532,970
School mini-budgets	883,466	322,726	17,574	1,188,618
Special education	973,962	92,826	110,917	955,871
Computer services	106,202	33,143	21,265	118,080
Classroom Learning Conditions	684,428	630,293	627,670	687,051
Operations and maintenance	421,103	877,715	162,330	1,136,488
System administration	840,273	371,532	62,243	1,149,562
Transportation	1,380,370	502,177	-	1,882,547
	7,264,066	2,830,412	1,443,291	8,651,187
Capital				
Equipment	158,442	14,634	16,643	156,433
	$ 7,422,508	$ 2,845,046	$ 1,459,934	$ 8,807,620

10. Deferred Capital Allocations:

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

11. Unamortized Capital Allocations:

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital assets. The unamortized capital allocations account balances is increased by transfers of deferred capital allocation expended, as well as fully-supported debenture principal repayments.

12. Budget Amounts:

The budget was prepared by the Jurisdiction's management with the Board of Trustees approval given on June 23, 2005. It is presented for information purposes only and has not been audited.

BATTLE RIVER REGIONAL DIVISION NO. 31

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED AUGUST 31, 2006

13. Contingencies:

The jurisdiction is a member of the reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contribution to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

14. Economic Dependence On Related Third Party:

The Battle River Regional Division No. 31's primary source of income is from the Alberta Government. The Jurisdiction's ability to continue viable operations is dependent on this funding.

15. Related Party Transactions:

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
2005-2006	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta				
Education	$ 262,618	$ 621,303	$ 59,662,106	$ 314,884
Infrastructure & transportation	154,583	161,900	673,397	-
Finance	451,882	451,882	835,659	835,659
Health & Wellness	-	39,952	-	-
Human Resources/ Employment	9,300	15,325	133,400	-
Other Government of Alberta departments	12,000	15,057	86,332	59,174
Other				
Health authorities	-	-	9,074	19,032
Post-secondary institutions	-	56,429	-	120,336
Other Alberta school jurisdictions	-	8,428	12,304	115,324
Total 2005-2006	$ 890,383	$ 1,370,276	$ 61,412,272	$ 1,464,409
Total 2004-2005	$ 2,023,770	$ 1,686,565	$ 58,051,085	$ 1,550,730

SCHEDULE A to the AFS

School Jurisdiction Cod 2285

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$59,662,106	$46,026,465	$5,943,105	$4,999,645	$2,247,050	$445,841
(2) **Alberta Infrastructure & Transportation**	$673,397	$0	$673,397			
(3) **Alberta Finance**	$835,659		$835,659			$0
(4) **Other - Government of Alberta**	$219,732	$210,932	$8,800	$0	$0	$0
(5) **Federal Government and/or First Nations**	$91,025	$56,025	$0	$0	$0	$35,000
(6) **Other Alberta school authorities**	$12,304	$12,304	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$556,859	$556,859				
(10) **Transportation fees**	$25,283			$25,283		
(11) **Other sales and services**	$969,119	$395,370	$160,118	$225,915	$179,041	$8,675
(12) **Investment income**	$429,323	$412,150	$0	$0	$17,173	$0
(13) **Gifts and donations**	$50,822	$50,322	$0	$0		$500
(14) **Rentals of facilities**	$16,431	$0	$16,431	$0	$0	$0
(15) **Net school generated funds**	$1,209,614	$1,209,614			$0	
(16) **Gains on disposal of capital assets**	$6,002	$0	$6,002	$0	$0	$0
(17) **Amortization of capital allocations**	$1,542,483	$31,179	$1,506,007	$5,297		$0
(18) **TOTAL REVENUES**	$66,300,159	$48,961,220	$9,149,519	$5,256,140	$2,443,264	$490,016
EXPENSES						
(19) **Certificated salaries**	$31,751,633	$31,324,636			$383,748	$43,249
(20) **Certificated benefits**	$3,059,137	$3,027,916			$27,833	$3,388
(21) **Uncertificated salaries and wages**	$11,578,268	$6,852,737	$1,170,577	$2,239,568	$996,282	$319,104
(22) **Uncertificated benefits**	$1,955,401	$1,181,918	$263,466	$226,318	$212,551	$71,148
(23) **SUB - TOTAL**	$48,344,439	$42,387,207	$1,434,043	$2,465,886	$1,620,414	$436,889
(24) **Services, contracts & supplies**	$12,292,025	$4,955,829	$4,490,093	$2,282,780	$510,196	$53,127
(25) **Cost recoveries between programs**	$0	$59,102	$0	$0	($59,102)	$0
(26) **Net school generated funds**	$1,209,614	$1,209,614				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$1,542,483	$31,179	$1,506,007	$5,297	$0	$0
(28) Unsupported	$1,902,804	$300,655	$789,839	$697,197	$115,113	$0
(29) Total Amortization	$3,445,287	$331,834	$2,295,846	$702,494	$115,113	$0
Interest on capital debt						
(30) Supported	$835,659	$0	$835,659	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$224	$0	$0	$0	$224	$0
(33) Losses on disposal of capital assets	$17,301	$0	$0	$17,301	$0	$0
(34) **TOTAL EXPENSES**	$66,144,549	$48,943,586	$9,055,641	$5,468,461	$2,186,845	$490,016
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$155,610	$17,634	$93,878	($212,321)	$256,419	$0

School Jurisdiction Code: 2285

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$876,408
Base Instruction (Gr 1-12)	$33,557,192
Outreach Programs	$156,060
Home Education	$14,882
Differential Cost Funding *	$21,633,509
Other Provincial Support	
Institutional Programs	$106,047
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$70,004
Provincial Priority Targeted Funding	
Class Size Initiative	$1,163,775
Student Health Initiative (SHI)	$478,323
Alberta Initiative for School Improvement (AISI)	$931,982
High Speed Networking	$247,773
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): OTF - Textbooks, OTF - Class Size, Secondments, Classroom Walk Through	$426,151
Total Alberta Education Revenues	$59,662,106

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 2285

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,920,630	$2,681,793	$2,008,996		($2,790)	$1,541,448	$9,150,077
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,137,114	$35,875	$188,399		$0		$2,361,388
ECS Program Unit (PUF)	$0	$451,414	$540,687		$0		$992,101
Severe Disabilities (Gr 1-12)	$1,638,227	$3,892,357	$192,704		$0		$5,723,288
English as a Second Language	$0	$103,974	$0		$0		$103,974
French Language Program & Francisation (all jurisdictions)	$0	$0	$59,863		$32,389		$92,252
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$11,707	$0	$7,022		$0		$18,729
Institutional Programs	$125,746	$0	$649		$0		$126,395
Alberta Initiative for School Improvement	$894,525	$5,407	$168,882	$0	$59,102		$1,127,916
Student Health Initiative	$0	$0	$32,482		$0		$32,482
High Speed Networking			$160,209		$0		$160,209
Class Size	$1,163,775	$0	$0	$0	$0		$1,163,775
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$25,460,828	$863,835	$969,073	$626,863	($29,599)	$0	$27,891,000
TOTAL EXPENSES	$34,352,552	$8,034,655	$4,328,966	$626,863	$59,102	$1,541,448	$48,943,586

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	29.8	0.0
ECS Program Unit (PUF)	0.0	21.4
Severe Disabilities (Gr 1-12)	21.6	173.3

Note:

1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 2285

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$66,144,549**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,645,782
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$2,645,782**
Less: 2005/2006 Board and System Administration expenses		-$2,186,845
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$458,937

School Jurisdiction Code: 2285

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$819,927
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,782,353	$1,010,026	$772,327	
Student fees (Non-Instructional) (Note 2)	$366,035	$0	$366,035	
Donations and grants to schools	$138,504	$0	$138,504	
Other (describe): Interest Income	$3,077	$0	$3,077	
Net Additions to SGF	$2,289,969	$1,010,026		$1,279,943
Net SGF Available for Spending				$2,099,870
Application of Net School Generated Funds:				
Extra-curricular activities			$867,531	
School site beautification			$17,897	
Field Trips			$273,068	
Equipment			$47,837	
Family literacy and other community resources			$0	
Other (describe): Bank Charges			$3,281	
Net SGF Expended (Note 3)				$1,209,614
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$890,256

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 2285

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$214,284	$856,358	$0	$0	$99,935	$1,170,577		$1,170,577
Uncertificated benefits	$49,942	$195,955	$0	$0	$17,569	$263,466		$263,466
Sub-total Remuneration	$264,226	$1,052,313	$0	$0	$117,504	$1,434,043		$1,434,043
Contracted Services	$1,559,732	$204,474	$14,010	$0	$76,984	$1,855,200		$1,855,200
Supplies	$179,648	$317,558	$0	$613,746	$34,047	$1,144,999		$1,144,999
Electricity			$574,439			$574,439		$574,439
Natural Gas/Heating Fuel			$609,847			$609,847		$609,847
Sewer and Water			$104,540			$104,540		$104,540
Telecommunications			$20,176			$20,176		$20,176
Insurance					$180,892	$180,892		$180,892
Amortization of capital assets								
Supported							$1,506,007	$1,506,007
Unsupported						$789,839		$789,839
Total Amortization						$789,839	$1,506,007	$2,295,846
Interest on capital debt								
Supported							$835,659	$835,659
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$2,003,606	$1,574,345	$1,323,012	$613,746	$409,427	$6,713,975	$2,341,666	$9,055,641
SQUARE METRES								
School Buildings								104,521.0
Non School Buildings								3,515.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2285

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Brenda Herder	1.0	$28,430	$4,791	$0			$33,221	$6,292
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Rebecca Heiberg	1.0	$20,575	$5,131	$0			$25,706	$3,645
Name	Gerry Oberg	1.0	$21,645	$1,952	$0			$23,597	$5,852
Name	Ken Offord	1.0	$19,969	$4,444	$0			$24,413	$6,102
Name	Victor Petruk	1.0	$18,041	$3,401	$0			$21,442	$4,531
Name	Cheryl Smith	1.0	$24,914	$3,707	$0			$28,621	$2,752
Name	Hameed Syed	1.0	$16,117	$0	$0			$16,117	$3,362
Name	Patricia Zeniuk	1.0	$20,323	$4,411	$0			$24,734	$4,419
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$170,014*	*$27,837*	*$0*			*$197,851*	*$36,955*
Superintendent	Warren Phillips	1.0	$129,665	$9,103	$0	$0	$0	$138,768	$17,354
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	William Schulte	1.0	$113,961	$19,461	$0	$0	$0	$133,422	$9,757
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		424.7	$31,590,543	$3,049,485	$0	$0	$31,974	$34,672,002	
Uncertificated Salaries & Wages		412.4	$11,292,237	$1,907,953	$0	$0	$2,206	$13,202,396	
TOTALS			**$43,296,420**	**$5,013,839**	**$0**	**$0**	**$34,180**	**$48,344,439**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 2245

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Black Gold Regional Division No. 18
Legal Name of School Jurisdiction

#301, 1101 5th Street, Nisku, Alberta T9A 7N3
Mailing Address

(780) 955-6025 (780) 955-6050 (Fax)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Black Gold Regional Division No. 18
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Barb Martinson	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
Dr. Norman Yanitski	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Orville Borys	"ORIGINAL SIGNED"
Name	**Signature**

22-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
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School Jurisdiction Code: 2245

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MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees of

BLACK GOLD REGIONAL DIVISION NO. 18

We have audited the statement of financial position of the **Black Gold Regional Division No. 18** as at August 31, 2006 and the related statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP

Leduc, Alberta
November 10, 2006

CHARTERED ACCOUNTANTS

School Jurisdiction Code: 2245

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$9,428,878	$9,218,494
Accounts receivable (net after allowances)		$2,056,421	$3,580,922
Prepaid expenses		$42,196	$79,567
Other current assets		$226,773	$625,014
Total current assets		$11,754,268	$13,503,997
School generated assets		$671,268	$761,432
Trust assets		$285,875	$535,624
Long term accounts receivable		$147,200	$184,000
Long term investments		$0	$0
Capital assets			
Land		$2,394,945	$2,394,945
Buildings	$96,781,035		
Less: accumulated amortization	($38,835,597)	$57,945,438	$58,293,340
Equipment	$6,575,171		
Less: accumulated amortization	($3,966,935)	$2,608,236	$2,424,860
Vehicles	$907,493		
Less: accumulated amortization	($364,250)	$543,243	$566,558
Total capital assets		$63,491,862	$63,679,703
TOTAL ASSETS		$76,350,473	$78,664,756
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,610,354	$5,009,708
Deferred revenue		$211,160	$1,129,749
Deferred capital allocations		$1,805,535	$2,660,639
Current portion of all long term debt		$1,631,932	$1,939,276
Total current liabilities		$7,258,981	$10,739,372
School generated liabilities		$671,268	$761,432
Trust liabilities		$285,875	$535,624
Employee future benefits liability		$60,300	$63,000
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$7,164,734	$9,104,010
Less: Current portion of supported debt		($1,631,932)	($1,939,276)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$50,428,152	$48,964,871
Total long term liabilities		$56,978,397	$57,489,661
TOTAL LIABILITIES		$64,237,378	$68,229,033
NET ASSETS			
Unrestricted net assets		$393,739	$397,046
Operating Reserves		$4,076,125	$3,176,680
Accumulated Operating Surplus (Deficit)		$4,469,864	$3,573,726
Investment in capital assets		$5,898,976	$5,610,822
Capital Reserves		$1,744,255	$1,251,175
Total Capital Funds		$7,643,231	$6,861,997
Total net assets		$12,113,095	$10,435,723
TOTAL LIABILITIES AND NET ASSETS		$76,350,473	$78,664,756

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 2245

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$64,438,716	$63,051,297	$60,456,325
Federal Government and/or First Nations	$157,297	$0	$18,523
Other Alberta school authorities	$2,194	$0	$72,376
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$62,028	$64,831	$71,620
Instruction resource fees	$497,974	$504,135	$512,578
Transportation fees	$84,330	$94,000	$89,719
Other sales and services	$576,882	$160,110	$139,186
Investment income	$323,946	$135,000	$228,084
Gifts and donations	$14,418	$0	$17,393
Rentals of facilities	$131,542	$132,216	$117,677
Net school generated funds	$268,850	$1,800,000	$2,319,717
Gains on disposal of capital assets	$18,780	$0	$0
Amortization of capital allocations	$2,510,462	$2,690,611	$2,065,456
Total Revenues	$69,087,419	$68,632,200	$66,108,654
EXPENSES			
Certificated salaries	$36,041,692	$35,814,104	$35,050,661
Certificated benefits	$3,884,911	$3,913,116	$3,893,654
Uncertificated salaries and wages	$9,572,235	$9,601,058	$8,899,316
Uncertificated benefits	$2,234,085	$2,220,639	$1,945,937
Services, contracts and supplies	$11,632,791	$11,334,743	$10,611,439
Net school generated funds	$268,850	$1,800,000	$2,319,717
Capital and debt services			
Amortization of capital assets			
Supported	$2,510,462	$2,690,611	$2,065,456
Unsupported	$486,238	$483,330	$423,470
Total Amortization of capital assets	$2,996,700	$3,173,941	$2,488,926
Interest on capital debt			
Supported	$810,003	$810,003	$1,019,463
Unsupported	$0	$0	$0
Total Interest on capital debt	$810,003	$810,003	$1,019,463
Other interest charges	$0	$3,000	$0
Losses on disposal of capital assets	$0	$0	$4,023
Total Expenses	$67,441,267	$68,670,604	$66,233,136
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,646,152	($38,404)	($124,482)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$1,646,152	($38,404)	($124,482)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 2245

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$1,646,152	($124,482)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($2,510,462)	($2,065,456)
Total amortization expense	$2,996,700	$2,488,926
Gains on disposal of capital assets	($18,780)	$0
Losses on disposal of capital assets	$0	$4,023
Changes in accrued accounts:		
Accounts receivable	$1,524,501	$2,983,816
Prepaids and other current assets	$435,612	($232,173)
Long term accounts receivable	$36,800	$36,800
Long term investments	$0	$0
Payables and accrued liabilities	($1,399,354)	($748,150)
Deferred revenue	($918,589)	$112,224
Employee future benefit expense (recovery)	($2,700)	$63,000
Other (describe) Net capital alloc/holdback non-cash transations	$671,237	$700,205
Total sources (uses) of cash from Operations	$2,461,117	$3,218,733
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,135,738)	($8,463,370)
Equipment	($592,605)	($953,681)
Vehicles	($111,736)	($55,634)
Net proceeds from disposal of capital assets	$50,000	$18,130
Other (describe) Net holdback non-cash transactions	($553,418)	$371,235
Total sources (uses) of cash from Investing activities	($3,343,497)	($9,083,320)
C. FINANCING ACTIVITIES		
Capital allocations	$1,210,583	$8,903,193
Issue of long term debt	$0	$0
Repayment of long term debt	($1,939,276)	($2,173,310)
Add back: supported portion	$1,939,276	$2,173,310
Other (describe) Net capital allocations non-cash transactions	($117,819)	($1,071,440)
Total sources (uses) of cash from Financing activities	$1,092,764	$7,831,753
Net sources (uses) of cash during year	$210,384	$1,967,166
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$9,218,494	$7,251,328
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$9,428,878	$9,218,494

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 2245

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$10,435,723	$5,610,822	$397,046	$4,427,855	$1,633,344	$451,187	$129,174	$606,370	$499,071	$175,618	$751,588	$0	$163,503	$18,000
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$10,435,723	$5,610,822	$397,046	$4,427,855	$1,633,344	$451,187	$129,174	$606,370	$499,071	$175,618	$751,588	$0	$163,503	$18,000
Excess(def) of revenue over expenses	$1,646,152		$1,646,152											
Board funded capital transactions		$774,392	($635,692)	($138,700)	($71,700)	$0	$0	$0	$0	$0	($67,000)	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,996,700)	$2,996,700											
Amortization of capital allocations		$2,510,462	($2,510,462)											
Disposal of unsupported capital assets	$31,220	$0	($18,780)	$50,000		$47,500		$2,500		$0		$0		$0
Disposal of supported capital assets (board funded portion)				$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,050,182)	$1,050,182	$107,442		$719,036		$58,647		$165,057		$0	
Net transfers from operating reserves			$12,037	($12,037)	$0		$0		$0		$0		($12,037)	
Net transfers to capital reserves			($443,080)	$443,080		$254,478		$92,735		$95,867		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$12,113,095	$5,898,976	$393,739	$5,820,380	$1,669,086	$753,165	$848,210	$701,605	$557,718	$271,485	$849,645	$0	$151,466	$18,000

School Jurisdiction Code: 2245

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$2,660,639	$48,964,871
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$2,660,639	$48,964,871
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$100,000	
Infrastructure & Transportation-School/Modular Project Capital *	$650,035	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$409,878	
Interest earned on provincial government capital allocations	$50,670	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$1,939,276
Expended capital allocations - current year	($2,065,687)	$2,065,687
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$31,220
Capital allocations amortized to revenue		$2,510,462
Balance at August 31, 2006	$1,805,535	$50,428,152

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. Authority And Purpose

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3. It is not taxable under Section 149(1) of the *Income Tax Act.*

The School Jurisdiction receives instruction and support allocations under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Grants received for construction and acquisition of capital assets are recognized as revenue on the same basis that the cost of the assets is amortized.

(b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	10 to 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

2. Significant Accounting Policies *(continued)*

(c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

(d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Black Gold Regional Division does not make pension contributions for certificated staff.

The Regional Division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $520,059 for the year ended August 31, 2006 (2005 - $438,010). At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 - deficiency of $1,288,924,000).

The Division is a member of the registered Supplemental Integrated Pension Plan (SiPP). The plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund.

There are four employees who are eligible to participate in the plan, all are currently participating. The current service contributions in 2006 were $8,600, and the accrued benefit liability at August 31, 2006 is $60,300.

(f) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

(g) Financial Instruments

The Division's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, trust assets and liabilities, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

2. Significant Accounting Policies *(continued)*

(h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Division, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

(i) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

3. Accounts Receivable

	2006	2005
Government of Alberta	$ 1,337,340	$ 2,773,079
Federal Government	464,578	624,539
Other	217,703	145,832
Alberta Municipalities	36,800	37,472
	$ 2,056,421	$ 3,580,922

Long-term accounts receivable arose upon the sale of the interest and right of occupancy to the School Board Space in the Leduc Civic Center Complex, and will be collected in equal instalments over the next five years. The current portion of $36,800 is included in the amount due from Alberta Municipalities, above. Other current accounts receivable which have been outstanding for more than one year total $313,714.

4. Trust Assets and Trust Liabilities

(a) Deferred Salary Leave Plan

The Black Gold Regional Division No. 18 has established a Deferred Salary Leave Plan, whereby eligible employees are able to, at their option, defer a portion of their salary. These funds are held in trust in separate bank accounts. At August 31, 2006 total funds in the plan were $112,172 (2005 - $212,950).

(b) Scholarship Trusts

The Division also manages trust funds which will be used to pay school scholarships. At August 31, 2006 total funds in trust were $48,186 (2005 - $47,002).

4. Trust Assets and Trust Liabilities *(continued)*

(c) Student Health Initiative Trust

The Division is the banker board for the Leduc and Area Student Health Initiative Partnership. As of August 31, 2006, the Division held $125,517 in trust for this initiative (2005 – $275,672).

5. Credit Arrangements

At August 31, 2006, the Division had lines of credit totalling $2 million, none of which were drawn.

6. Accounts Payable and Accrued Liabilities

	2006	2005
Trade payables	$ 1,673,168	$ 3,039,951
Payroll remittances payable	1,430,791	1,352,274
Government of Alberta	341,323	441,637
Wages payable	137,945	170,541
Alberta Municipalities	27,127	5,305
	$ 3,610,354	$ 5,009,708

7. Deferred Revenue

The following amounts have been deferred and will be recognized as income to match the expenditures as incurred.

	2006	2005
Other	$ 153,830	$ 146,524
Infrastructure Maintenance Renewal (formerly IMP)	57,330	379,713
One-time grant funding	-	195,000
Operations and maintenance support	-	408,512
	$ 211,160	$ 1,129,749

8. Debenture Debt

The debenture debt bears interest at rates varying between 8.375% and 12%. Interest paid on long-term debt during 2006 was $910,317 (2005 - $1,138,115).

Debenture payments due over the next five years and beyond are:

	Principal	Interest	Total
2006-2007	$ 1,631,932	$ 710,478	$ 2,342,410
2007-2008	1,538,067	543,372	2,081,439
2008-2009	1,073,016	385,710	1,458,726
2009-2010	787,021	278,696	1,065,717
2010-2011	694,181	202,464	896,645
2011 to maturity	1,440,517	250,575	1,691,092
	$ 7,164,734	$ 2,371,295	$ 9,536,029

The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt, therefore the working capital (current assets minus current liabilities) is understated by $1,631,932.

9. Deferred Capital Allocations

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the Division, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. Unamortized Capital Allocations

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid. Since the receipt of the funding does not coincide with the amortization of the cost, the unamortized portion of the grants are recorded as a liability on the statement of financial position.

11. Contingencies

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

12. Related Party Transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

All related-party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	Balances		**Transactions**	
2005-2006	Assets	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	$212,343	$ 128,124	$62,774,723	$170,600
Infrastructure & Transportation	778,018	1,410,019	822,730	-
Finance	341,323	7,506,057	810,003	810,003
Human Resources/Employment	5,656	-	5,656	-
Other Gov't of Alberta departments	-	-	25,604	-
Other:				
Post-secondary institutions	-	-	55,000	27,886
Other Alberta school jurisdictions	-	14,166	2,194	168,901
TOTAL 2005-2006	$1,337,340	$9,058,366	$64,495,910	$1,177,390
TOTAL 2004-2005	$2,773,079	$12,052,940	$60,456,325	$1,416,410

13. Budget Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

14. Economic Dependence on Related Third Party

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent upon this funding.

15. Reporting of School Generated Funds (SGF) Related Expenses

A change in the Alberta Education reporting format now allows for related expenses to net against the "Non-Instructional Student Fees" and "Donations & Grants" gross revenues reported as sources of SGF. While there has been no change in the activities or procedures of SGF for Black Gold Regional Division, the statement of revenues and expenses now reports the Net SGF Expended for discretionary purposes and not total SGF expenditures.

16. Trustees Remuneration (Schedule G)

The remuneration disclosed on Schedule G includes both the taxable and non-taxable portion of trustees' remuneration.

SCHEDULE A to the AFS

School Jurisdiction Cod 2245

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$62,774,723	$50,358,677	$6,935,709	$3,200,348	$2,251,780	$28,209
(2) **Alberta Infrastructure & Transportation**	$822,730	$0	$822,730			
(3) **Alberta Finance**	$810,003		$810,003			$0
(4) **Other - Government of Alberta**	$31,260	$2,363	$5,657	$0	$0	$23,240
(5) **Federal Government and/or First Nations**	$157,297	$157,297	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$2,194	$2,194	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$62,028	$22,899	$0	$0	$1,004	$38,125
(9) **Instruction resource fees**	$497,974	$497,974				
(10) **Transportation fees**	$84,330			$84,330		
(11) **Other sales and services**	$576,882	$470,281	$52,046	$10,730	$10,055	$33,770
(12) **Investment income**	$323,946	$252,838	$44,343	$14,324	$12,441	$0
(13) **Gifts and donations**	$14,418	$14,418	$0	$0		$0
(14) **Rentals of facilities**	$131,542	$0	$0	$0	$0	$131,542
(15) **Net school generated funds**	$268,850	$268,850			$0	
(16) **Gains on disposal of capital assets**	$18,780	$16,280	$2,500	$0	$0	$0
(17) **Amortization of capital allocations**	$2,510,462	$204,984	$2,305,478	$0		$0
(18) **TOTAL REVENUES**	$69,087,419	$52,269,055	$10,978,466	$3,309,732	$2,275,280	$254,886
EXPENSES						
(19) **Certificated salaries**	$36,041,692	$35,648,653			$393,039	$0
(20) **Certificated benefits**	$3,884,911	$3,835,423			$49,488	$0
(21) **Uncertificated salaries and wages**	$9,572,235	$6,088,950	$2,282,106	$141,063	$974,100	$86,016
(22) **Uncertificated benefits**	$2,234,085	$1,450,125	$523,021	$28,001	$223,040	$9,898
(23) **SUB - TOTAL**	$51,732,923	$47,023,151	$2,805,127	$169,064	$1,639,667	$95,914
(24) **Services, contracts & supplies**	$11,632,791	$3,808,837	$4,277,679	$2,958,569	$441,385	$146,321
(25) **Cost recoveries between programs**	$0	$18,120	($43,979)	$17,042	($3,500)	$12,317
(26) **Net school generated funds**	$268,850	$268,850				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$2,510,462	$204,984	$2,305,478	$0	$0	$0
(28) Unsupported	$486,238	$282,322	$105,122	$0	$86,423	$12,371
(29) Total Amortization	$2,996,700	$487,306	$2,410,600	$0	$86,423	$12,371
Interest on capital debt						
(30) Supported	$810,003	$0	$810,003	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0		$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$67,441,267	$51,606,264	$10,259,430	$3,144,675	$2,163,975	$266,923
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$1,646,152	$662,791	$719,036	$165,057	$111,305	($12,037)

School Jurisdiction Code: 2245

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,439,904
Base Instruction (Gr 1-12)	$40,532,693
Outreach Programs	$52,020
Home Education	$39,419
Differential Cost Funding *	$16,269,226
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$60,592
Provincial Priority Targeted Funding	
Class Size Initiative	$2,035,816
Student Health Initiative (SHI)	$82,090
Alberta Initiative for School Improvement (AISI)	$1,065,368
High Speed Networking	$163,183
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$549,402
Other Alberta Education Revenues (describe): One-time Funding, Secondments, Sub Reimbursement, Portable Relocation	$485,010
Total Alberta Education Revenues	$62,774,723

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 2245

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$3,406,591	$2,954,981	$430,203		($76,522)	$197,502	$6,912,755
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,205,684	$260,081	$57,539		$0		$2,523,304
ECS Program Unit (PUF)	$269,431	$898,578	$93,435		$59,480		$1,320,924
Severe Disabilities (Gr 1-12)	$486,262	$2,887,369	$159,538		$0		$3,533,169
English as a Second Language	$0	$61,380	$23,926		$0		$85,306
French Language Program & Francisation (all jurisdictions)	$0	$0	$111,971		$0		$111,971
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$38,307	$11,684	$17,523		$0		$67,514
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$873,946	$91,602	$99,504	$1,066	$0		$1,066,118
Student Health Initiative	$3,881	$44,398	$33,811		$0		$82,090
High Speed Networking			$163,183		$0		$163,183
Class Size	$2,035,816	$0	$0	$0	$0		$2,035,816
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$30,164,158	$329,002	$1,864,638	$752,500	$35,162	$558,654	$33,704,114
TOTAL EXPENSES	$39,484,076	$7,539,075	$3,055,271	$753,566	$18,120	$756,156	$51,606,264

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	28.4	9.8
ECS Program Unit (PUF)	3.4	23.1
Severe Disabilities (Gr 1-12)	6.3	105.7

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 2245

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$67,441,267**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,697,651

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$2,697,651**
Less: 2005/2006 Board and System Administration expenses		-$2,163,975
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$533,676

School Jurisdiction Code: 2245

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$761,432
Source of Net School Generated Funds:				
Fundraising activities	$1,412,983	$1,149,662	$263,321	
Student fees (Non-Instructional) (Note 2)	$1,333,741	$1,529,835	($196,094)	
Donations and grants to schools	$201,266	$143,325	$57,941	
Other (describe): Interest, practicum, miscellaneous	$189,998	$136,480	$53,518	
Net Additions to SGF	$3,137,988	$2,959,302		$178,686
Net SGF Available for Spending				$940,118
Application of Net School Generated Funds:				
Extra-curricular activities			$9,621	
School site beautification			$587	
Field Trips			$11,082	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe): Other student activities, supplies, miscellaneous			$247,560	
Net SGF Expended (Note 3)				$268,850
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$671,268

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 2245

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,337,161	$679,468	$0	$0	$265,477	$2,282,106		$2,282,106
Uncertificated benefits	$290,228	$173,317	$0	$0	$59,476	$523,021		$523,021
Sub-total Remuneration	$1,627,389	$852,785	$0	$0	$324,953	$2,805,127		$2,805,127
Contracted Services	$26,250	$844,104	$0	$1,066,997	$11,062	$1,948,413		$1,948,413
Supplies	$215,895	$406,912	$0	$0	$5,379	$628,186		$628,186
Electricity			$811,594			$811,594		$811,594
Natural Gas/Heating Fuel			$641,002			$641,002		$641,002
Sewer and Water			$76,474			$76,474		$76,474
Telecommunications			$32,869			$32,869		$32,869
Insurance					$139,141	$139,141		$139,141
Amortization of capital assets								
Supported							$2,305,478	$2,305,478
Unsupported						$105,122		$105,122
Total Amortization						$105,122	$2,305,478	$2,410,600
Interest on capital debt								
Supported							$810,003	$810,003
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						($43,979)		($43,979)
TOTAL EXPENSES	$1,869,534	$2,103,801	$1,561,939	$1,066,997	$480,535	$7,143,949	$3,115,481	$10,259,430
SQUARE METRES								
School Buildings								110,064.9
Non School Buildings								3,691.7

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2245

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Barb Martinson	1.0	$23,024	$4,779	$0			$27,803	$4,977
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Tonia Bills	1.0	$16,940	$3,675	$0			$20,615	$7,911
Ed Chubocha	1.0	$11,625	$122	$0			$11,747	$3,084
Johnette Lemke	1.0	$18,042	$4,634	$0			$22,676	$5,526
May Metke	1.0	$14,880	$3,663	$0			$18,543	$6,682
Cecil Race	1.0	$18,693	$4,164	$0			$22,857	$5,548
Lois Watson	1.0	$18,387	$3,720	$0			$22,107	$5,315
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*7.0*	*$121,591*	*$24,757*	*$0*			*$146,348*	*$39,043*
Norman Yanitski	1.0	$139,796	$18,850	$0	$0	$0	$158,646	$10,625
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Orville Borys	1.0	$121,180	$27,444	$0	$0	$0	$148,624	$7,974
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	491.1	$35,901,896	$3,844,096	$0	$0	$21,965	$39,767,957	
Uncertificated Salaries & Wages	317.3	$9,329,464	$2,169,600	$0	$0	$12,284	$11,511,348	
TOTALS		**$45,613,927**	**$6,084,747**	**$0**	**$0**	**$34,249**	**$51,732,923**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 6017

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

BOYLE STREET EDUCATION CENTRE
Legal Name of School Jurisdiction

10312 - 105 STREET, EDMONTON, AB T5J1E6
Mailing Address

PH:(780) 424-4106 FAX: (780) 425-2205
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules BOYLE STREET EDUCATION CENTRE (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Tracy Pelland	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

John Brosseau	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Hope Hunter	"ORIGINAL SIGNED"
Name	Signature

23-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 6017

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DENNIS PALLARD PROFESSIONAL CORPORATION
CHARTERED ACCOUNTANT

Dennis Pallard, CA
Tom Wong, CMA
Bobi-Rae Millier, CGA

#145, 14315 - 118 Avenue
Edmonton, Alberta, Canada T5L 4S6
Phone (780) 454-6757
Fax (780) 455-0194

AUDITOR'S REPORT

To the directors of the Boyle Street Education Centre

I have audited the statement of financial position of Boyle Street Education Centre as at August 31, 2006 and the statements of operations and changes in net assets and cash flow for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. These standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the organization as at August 31, 2006 and the results of its operations and cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Dennis Pallard

Edmonton, Alberta
November 8, 2006

CHARTERED ACCOUNTANT

School Jurisdiction Code: 6017

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$997,889	$770,623
Accounts receivable (net after allowances)		$59,943	$78,027
Prepaid expenses		$18,062	$50,376
Other current assets		$0	$0
Total current assets		$1,075,894	$899,026
School generated assets		$6,861	$7,919
Trust assets		$28,923	$28,049
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$118,925		
Less: accumulated amortization	($49,675)	$69,250	$94,088
Equipment	$60,973		
Less: accumulated amortization	($17,060)	$43,913	$48,778
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$113,163	$142,866
TOTAL ASSETS		$1,224,841	$1,077,860
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$17,395	$47,701
Deferred revenue		$5,000	$0
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$22,395	$47,701
School generated liabilities		$6,861	$7,919
Trust liabilities		$28,923	$28,049
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$35,784	$35,968
TOTAL LIABILITIES		$58,179	$83,669
NET ASSETS			
Unrestricted net assets		$1,110,001	$907,827
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$1,110,001	$907,827
Investment in capital assets		$56,662	$86,364
Capital Reserves		$0	$0
Total Capital Funds		$56,662	$86,364
Total net assets		$1,166,663	$994,191
TOTAL LIABILITIES AND NET ASSETS		$1,224,841	$1,077,860

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 6017

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$2,227,760	$2,113,883	$2,264,873
Federal Government and/or First Nations	$45,000	$0	$18,101
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$0	$0	$0
Transportation fees	$0	$0	$0
Other sales and services	$0	$0	$0
Investment income	$33,669	$0	$11,324
Gifts and donations	$8,778	$56,000	$0
Rentals of facilities	$0	$0	$0
Net school generated funds	$0	$0	$0
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$2,315,207	$2,169,883	$2,294,298
EXPENSES			
Certificated salaries	$859,366	$873,596	$781,260
Certificated benefits	$86,695	$76,009	$76,046
Uncertificated salaries and wages	$215,433	$243,989	$181,267
Uncertificated benefits	$34,259	$42,634	$32,579
Services, contracts and supplies	$917,280	$848,704	$712,424
Net school generated funds	$0	$0	$0
Capital and debt services			
Amortization of capital assets			
Supported	$29,702	$0	$37,032
Unsupported	$0	$0	$0
Total Amortization of capital assets	$29,702	$0	$37,032
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$2,142,735	$2,084,932	$1,820,608
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$172,472	$84,951	$473,690
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$172,472	$84,951	$473,690

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 6017

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$172,472	$473,690
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$29,702	$37,032
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$18,084	$199,131
Prepaids and other current assets	$32,314	$339
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($30,306)	($51,610)
Deferred revenue	$5,000	($18,101)
Employee future benefit expense (recovery)	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	$227,266	$640,481
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	($19,854)
Equipment	$0	($36,648)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	($56,502)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$227,266	$583,979
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$770,623	$186,644
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$997,889	$770,623

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 6017

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$994,191	$86,364	$907,827	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$994,191	$86,364	$907,827	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$172,472		$172,472											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($29,702)	$29,702											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$1,166,563	$56,662	$1,110,001	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 6017

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$0	$0
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$0	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2006	$0	$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

BOYLE STREET EDUCATION CENTRE

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2006

1. AUTHORITY AND PURPOSE

The Boyle Street Education Centre was incorporated on August 16, 2000 as a company pursuant to the Alberta Companies Act. The object for which the company is established is to maintain a Charter School within the meaning of the Alberta School Act and to do anything which is conducive to the attainment of the foregoing object. The income and property of the company must be applied solely towards the promotion of its objects and none of its property is to be paid or transferred to its members.

The Boyle Street Education Centre delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta, 2000, Chapter S-3.

The Education Centre receives instruction and support allocations under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The Education Centre is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

REVENUE RECOGNITION

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Scholarship trust funds are recognized as direct increases in trust assets and liabilities in the period in which they are veceived or receivable.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and are amortized over five years using the straight line method. Property and equipment with a cost in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

SCHOOL GENERATED FUNDS

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

PENSIONS

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Boyle Street Education Centre does not make pension contributions for certificated staff.

PREPAID EXPENSES

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end and are recorded as prepaid expenses. Certain insurance expenses also fall into this category.

CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to the school. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

FINANCIAL INSTRUMENTS

These consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Education Centre is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Education Centre has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

TRUST ASSETS AND LIABILITIES

The Education Centre holds scholarship trust funds received from Canative Housing. The amount has been recorded as restricted cash and is to be used for future scholarship payments, the eligibility for which is to be determined by the Scholarship Committee.

OPERATING AND CAPITAL RESERVES

Reserves can be established by external mandates or at the discretion of the Board of Directors to set aside funds for future operations, capital expenditures or other purposes. Such reserves are appropriations of accumulated net assets and as at August 31, 2006 the Education Centre had not established any reserves.

SURPLUS REPAYMENT AND DEFICIT RECOVERIES

The Education Centre receives most of its revenues from the Alberta government and any current year's surplus or deficit may be repayable to or recoverable from the original funder. The conditions and timing of repayment or recovery are indeterminate and no provision for these amounts is recorded until the funder advises the organization. Surplus repayments and revenue recoveries related to prior years are not recorded in the current year's transactions but rather are charged or credited to the organization's accumulated net assets. Details of the repayments and recoveries are in Note 10. As at August 31, 2006, management is of the opinion that there is no funding repayable.

BOYLE STREET EDUCATION CENTRE
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2006

3. SCHOOL GENERATED FUNDS

Details of the school generated funds are as follows:

	2006	2005
Balance beginning of year	$ 7,919	$ 15,569
Source of school generated funds (SGF)		
Designated donations	4,000	-
Shop class	900	-
Student council	500	-
Pop machine	77	-
Interest and other revenue	-	214
	13,396	15,783
Less SGF expended for the year	(6,535)	(7,864)
Balance end of year	$ 6,861	$ 7,919

4. SCHOLARSHIP TRUST FUND

Details of the scholarship trust fund are as follows:

	2006	2005
Balance beginning of year	$ 28,049	$ 27,516
Interest earned	874	533
Balance end of year	$ 28,923	$ 28,049

5. ACCOUNTS RECEIVABLE

Details of the accounts receivable are as follows:

	2006	2005
Alberta Infrastructure	$ -	$ 63,021
Alberta Education	29,984	-
Goods and Services Tax rebate	29,959	9,563
Boyle Street Service Society	-	2,129
Other	-	3,314
	$ 59,943	$ 78,027

6. PROPERTY AND EQUIPMENT

Details of the property and equipment are as follows:

	2006			2005
	Cost	Accumulated Ammortization	Net Book Value	Net Book Value
Leasehold improvements	$ 118,925	$ 49,675	$ 69,250	$ 94,088
Equipment	60,973	17,060	43,913	48,778
	$ 179,898	$ 66,735	$ 113,163	$ 142,866

7. ACCOUNTS PAYABLE

Details of the accounts payable are as follows:

	2006	2005
Trade payables	$ 17,394	$ 47,701

8. DEFERRED REVENUE

Details of the deferred revenue are as follows:

	2006	2005
Edmonton Student Art Society	$ 5,000	$ -

9. OTHER GRANTS

Details of the other grants are as follows:

	2006	2005
Justice Canada - Beat of Boyle Street	$ 45,000	$ 18,101
Alberta Foundation of the Arts	577	-
Government of Alberta - Human Resources & Employment	8,201	-
	$ 53,778	$ 18,101

10. PAYMENTS FROM ALBERTA LEARNING RELATING TO PRIOR YEARS

During the 2006 fiscal year Alberta Education advanced additonal funding of $36,902 to the Education Centre which related to the 2005 funding fiscal year.

During the 2005 fiscal year Alberta Education advanced $39,996 to the Education Centre and recovered $14,236 from the Education Centre, for a net advance of $25,760, which related to the 2004 funding fiscal year.

11. BUDGET AMOUNTS

The notes to the financial statements accompany both these audited financial statements and the Alberta Education audited financial statements prepared on their prescribed forms. The Alberta Education financial statements include budgeted amounts. The budget was prepared by the Education Centre and approved by the Board of Directors and is presented for information purposes only and has not been audited.

12. LEASE COMMITMENT

The organization rents its premises for $19,063 per month plus common area costs and GST. The lease will expire August 31, 2011.

SCHEDULE A to the AFS

School Jurisdiction Cod 6017

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$2,017,273	$1,690,931	$223,320	$45,800	$57,222	$0
(2) **Alberta Infrastructure & Transportation**	$210,487	$0	$210,487			
(3) **Alberta Finance**	$0		$0			$0
(4) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$45,000	$45,000	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$0	$0				
(10) **Transportation fees**	$0			$0		
(11) **Other sales and services**	$0	$0	$0	$0	$0	$0
(12) **Investment income**	$33,669	$25,556	$6,556	$692	$865	$0
(13) **Gifts and donations**	$8,778	$8,778	$0	$0		$0
(14) **Rentals of facilities**	$0	$0	$0	$0	$0	$0
(15) **Net school generated funds**	$0	$0			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(18) **TOTAL REVENUES**	$2,315,207	$1,770,265	$440,363	$46,492	$58,087	$0
EXPENSES						
(19) **Certificated salaries**	$859,366	$859,366			$0	$0
(20) **Certificated benefits**	$86,695	$86,695			$0	$0
(21) **Uncertificated salaries and wages**	$215,433	$208,477	$6,956	$0	$0	$0
(22) **Uncertificated benefits**	$34,259	$33,153	$1,106	$0	$0	$0
(23) **SUB - TOTAL**	$1,195,753	$1,187,691	$8,062	$0	$0	$0
(24) **Services, contracts & supplies**	$917,280	$273,837	$480,508	$46,607	$116,329	$0
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$0	$0				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$29,702	$29,702	$0	$0	$0	$0
(28) Unsupported	$0	$0	$0	$0	$0	$0
(29) Total Amortization	$29,702	$29,702	$0	$0	$0	$0
Interest on capital debt						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$2,142,735	$1,491,230	$488,570	$46,607	$116,329	$0
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$172,472	$279,035	($48,207)	($115)	($58,242)	$0

School Jurisdiction Code: 6017

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$673,070
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$1,284,074
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$13,289
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$14,625
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): One time grantt's of $1,215 and $30,000 plus the physical activity fund.	$32,215
Total Alberta Education Revenues	$2,017,273

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 6017

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$579,844	$144,976	$103,319		$0	$0	$828,139
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$369,195	$96,085	$97,440		$0		$562,720
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$0	$27,874	$0	$0		$27,874
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0	$0	$0	$0	$72,497
TOTAL EXPENSES	$949,039	$241,061	$228,633	$0	$0	$0	$1,491,230

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 6017

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$2,142,735**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$128,564
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$57,222	$128,564
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$128,564**
Less: 2005/2006 Board and System Administration expenses		-$116,329
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$12,235

School Jurisdiction Code: 6017

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$7,919
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$977	$0	$977	
Student fees (Non-Instructional) (Note 2)	$0	$0	$0	
Donations and grants to schools	$4,500	$0	$4,500	
Other (describe):	$0	$6,535	($6,535)	
Net Additions to SGF	$5,477	$6,535		($1,058)
Net SGF Available for Spending				$6,861
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School site beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended (Note 3)				$0
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$6,861

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 6017

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$6,956	$0	$0	$0	$0	$6,956		$6,956
Uncertificated benefits	$1,106	$0	$0	$0	$0	$1,106		$1,106
Sub-total Remuneration	$8,062	$0	$0	$0	$0	$8,062		$8,062
Contracted Services	$0	$0	$0	$0	$434,336	$434,336		$434,336
Supplies	$11,241	$20,099	$0	$0	$0	$31,340		$31,340
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$0			$0		$0
Insurance					$14,832	$14,832		$14,832
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$19,303	$20,099	$0	$0	$449,168	$488,570	$0	$488,570
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6017

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-2006
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Tracy Pelland	1.0	$0	$0	$0			$0	$329
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Leanne Anderson	1.0	$0	$0	$0			$0	$0
Name	Merle Kennedy	1.0	$0	$0	$0			$0	$0
Name	Marvin Folulkes	1.0	$0	$0	$0			$0	$0
Name	Sharon Jackson	1.0	$0	$0	$0			$0	$0
Name	Lee Browning	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.0*	*$0*	*$0*	*$0*			*$0*	*$329*
Superintendent	John Brosseau	0.2	$25,007	$0	$0	$0	$0	$25,007	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Hope Hunter	0.3	$30,012	$0	$0	$0	$0	$30,012	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		14.0	$859,366	$86,695	$0	$0	$0	$946,061	
Uncertificated Salaries & Wages		8.0	$215,433	$34,259	$0	$0	$0	$249,692	
TOTALS			**$1,129,817**	**$120,954**	**$0**	**$0**	**$0**	**$1,250,771**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 1155

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Buffalo Trail Public Schools Regional Division #28
Legal Name of School Jurisdiction

1041 10A Street Wainwright, Alberta T9W 2R4
Mailing Address

Phone (780) 842-6144 Fax (780) 842-3255
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Buffalo Trail Public Schools Regional Division #28 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Brent Romanchuk	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Greg Bass	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Pam Boomhower	**"ORIGINAL SIGNED"**
Name	**Signature**

22-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1155

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Wilde & Company
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Board of Trustees
Buffalo Trail Public Schools Regional Division No. 28

We have audited the statement of financial position of the Buffalo Trail Public Schools Regional Division No. 28 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vegreville, Alberta
October 25, 2006

Wilde & Company
Chartered Accountants

School Jurisdiction Code: 1155

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$3,204,971	$2,655,647
Accounts receivable (net after allowances)		$1,140,396	$1,892,024
Prepaid expenses		$52,629	$47,345
Other current assets		$296,557	$175,498
Total current assets		$4,694,553	$4,770,514
School generated assets		$619,065	$607,278
Trust assets		$399,281	$372,369
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$337,900	$337,900
Buildings	$66,235,865		
Less: accumulated amortization	($33,147,891)	$33,087,974	$34,874,400
Equipment	$6,276,670		
Less: accumulated amortization	($3,583,014)	$2,693,656	$2,137,611
Vehicles	$713,314		
Less: accumulated amortization	($439,028)	$274,286	$225,517
Total capital assets		$36,393,816	$37,575,428
TOTAL ASSETS		$42,106,715	$43,325,589
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,535,383	$1,270,399
Deferred revenue		$240,682	$517,141
Deferred capital allocations		$226,667	$226,667
Current portion of all long term debt		$1,551,596	$1,284,366
Total current liabilities		$3,554,328	$3,298,573
School generated liabilities		$619,065	$607,278
Trust liabilities		$399,281	$372,369
Employee future benefits liability		$4,666	$4,666
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported	Debentures and other supported debt	$8,844,737	$10,129,102
	Less: Current portion of supported debt	($1,170,517)	($1,284,366)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$779,213	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($381,079)	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$24,441,386	$25,133,688
Total long term liabilities		$33,536,752	$34,962,737
TOTAL LIABILITIES		$37,091,080	$38,261,310
NET ASSETS			
Unrestricted net assets		$1,375,120	$1,620,971
Operating Reserves		$1,303,033	$1,123,665
Accumulated Operating Surplus (Deficit)		$2,678,153	$2,744,636
Investment in capital assets		$2,328,480	$2,312,641
Capital Reserves		$9,002	$7,002
Total Capital Funds		$2,337,482	$2,319,643
Total net assets		$5,015,635	$5,064,279
TOTAL LIABILITIES AND NET ASSETS		$42,106,715	$43,325,589

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 1155

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$40,994,724	$39,970,254	$39,247,052
Federal Government and/or First Nations	$124,834	$29,235	$82,972
Other Alberta school authorities	$19,547	$0	$57,613
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$69,714	$0	$89,186
Instruction resource fees	$403,906	$312,472	$394,647
Transportation fees	$53,581	$42,600	$39,205
Other sales and services	$744,782	$116,000	$167,796
Investment income	$181,550	$55,000	$123,681
Gifts and donations	$20,856	$15,000	$40,579
Rentals of facilities	$18,750	$11,500	$12,655
Net school generated funds	$945,460	$950,000	$852,460
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,976,668	$1,727,322	$1,924,528
Total Revenues	$45,554,372	$43,229,383	$43,032,374
EXPENSES			
Certificated salaries	$20,228,695	$19,357,448	$20,181,180
Certificated benefits	$2,268,784	$2,129,319	$2,148,240
Uncertificated salaries and wages	$5,903,199	$5,148,030	$5,619,245
Uncertificated benefits	$1,484,967	$1,235,527	$1,380,394
Services, contracts and supplies	$11,019,588	$11,473,321	$9,885,435
Net school generated funds	$945,460	$950,000	$852,460
Capital and debt services			
Amortization of capital assets			
Supported	$1,976,668	$1,727,322	$1,924,528
Unsupported	$821,216	$258,892	$634,319
Total Amortization of capital assets	$2,797,884	$1,986,214	$2,558,847
Interest on capital debt			
Supported	$875,654	$949,524	$1,004,557
Unsupported	$32,868	$0	$12,566
Total Interest on capital debt	$908,522	$949,524	$1,017,123
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$45,917	$0	$0
Total Expenses	$45,603,016	$43,229,383	$43,642,924
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($48,644)	$0	($610,550)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	($48,644)	$0	($610,550)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 1155

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	($48,644)	($610,550)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($1,976,668)	($1,924,528)
Total amortization expense	$2,797,884	$2,558,847
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$45,917	$0
Changes in accrued accounts:		
Accounts receivable	$751,628	$411,331
Prepaids and other current assets	($126,343)	$49,332
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$264,984	($159,530)
Deferred revenue	($276,459)	$90,172
Employee future benefit expense (recovery)	$0	($15,000)
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$1,432,299	$400,074
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	($180,469)
Equipment	($1,488,643)	($1,682,747)
Vehicles	($173,546)	($26,961)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,662,189)	($1,890,177)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$480,469
Issue of long term debt	$1,155,079	$0
Repayment of long term debt	($1,660,231)	($1,731,582)
Add back: supported portion	$1,284,366	$1,323,493
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$779,214	$72,380
Net sources (uses) of cash during year	$549,324	($1,417,723)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,655,647	$4,073,370
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$3,204,971	$2,655,647

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 1155

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$5,064,279	$2,312,641	$1,620,971	$1,130,667	$238,531	$0	$389,895	$7,002	$286,156	$0	$209,083	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$5,064,279	$2,312,641	$1,620,971	$1,130,667	$238,531	$0	$389,895	$7,002	$286,156	$0	$209,083	$0	$0	$0
Excess(def) of revenue over expenses	($48,644)		($48,644)											
Board funded capital transactions		$501,893	($501,893)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,797,884)	$2,797,884											
Amortization of capital allocations		$1,976,668	($1,976,668)											
Disposal of unsupported capital assets	$0	($45,917)	$45,917	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$381,079	($381,079)											
Net transfers to operating reserves			($590,938)	$590,938	$218,428		$299,270		$62,564		$10,676		$0	
Net transfers from operating reserves			$411,570	($411,570)	($285,552)		($57,263)		($27,956)		($40,799)		$0	
Net transfers to capital reserves			($2,000)	$2,000		$0		$2,000		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$5,015,635	$2,328,480	$1,375,120	$1,312,035	$171,407	$0	$631,902	$9,002	$320,764	$0	$178,960	$0	$0	$0

School Jurisdiction Code: 1155

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$226,667	$25,133,688
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$226,667	$25,133,688
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$0	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$1,284,366
Expended capital allocations - current year	$0	$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$1,976,668
Balance at August 31, 2006	$226,667	$24,441,386

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings - 2.5 to 10%
Equipment - 20% to 33%
Vehicles - 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Buffalo Trail Public Schools Regional Division No. 28 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $364,743 for the year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency $1.289 billion).

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

These consist of cash, marketable securities, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k) Investments

Investments are recorded at the lower of cost and market value.

3. ACCOUNTS RECEIVABLE

		2006		2005
Provincial government grants				
- interest on long term debt	$	424,119	$	497,989
- other		239,901		942,787
GST recoverable		248,754		256,221
Other accounts receivable		227,622		195,027
	$	1,140,396	$	1,892,024

4. CAPITAL ASSETS

		Cost		Accumulated Amortization		2006 Net Book Value		2005 Net Book Value
Land	$	337,900	$	-	$	337,900	$	337,900
Buildings		66,235,865		33,147,891		33,087,974		34,874,400
Equipment		6,276,670		3,583,014		2,693,656		2,137,611
Vehicles		713,314		439,028		274,286		225,517
	$	73,563,748	$	37,169,933	$	36,393,816	$	37,575,428

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		2006		2005
Province of Alberta	$	424,119	$	497,989
Other trade payables and accrued liabilities		1,111,265		772,410
Employee future benefits liability		4,666		4,666
	$	1,540,050	$	1,275,065

6. DEFERRED REVENUE

		2006		2005
IMP grants	$	-	$	255,499
Other grant funds		169,099		198,238
Other revenues		71,583		63,404
	$	240,682	$	517,141

7. LONG TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.5% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	2006	2005
Debentures	$ 8,844,736	$ 10,129,102
Total debt	8,844,736	10,129,102
Less current portion of debt	1,170,517	1,284,366
Long term debt	$ 7,674,219	$ 8,844,736

School Year	Principal	Interest	Total
2006-2007	$ 1,170,517	$ 822,360	$ 1,992,877
2007-2008	1,095,632	822,360	1,917,992
2008-2009	1,059,732	601,040	1,660,772
2009-2010	1,007,294	498,157	1,505,451
2010-2011	920,085	401,176	1,321,261
2011-maturity	3,591,476	1,869,188	5,460,664
	$ 8,844,736	$ 5,014,281	$ 13,859,017

8. CAPITAL LEASE - UNSUPPORTED

The jurisdiction has entered into a lease for computer equipment to meet all the needs of the jurisdiction. The lease term expires August 31, 2008. The lease is recorded as a capital lease with repayments as follows:

School Year	Principal	Interest	Total
2006-2007	$ 381,079	$ 28,438	$ 409,517
2007-2008	398,134	11,146	409,280
	$ 779,213	$ 39,584	$ 818,797

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not yet been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

	Opening	Proceeds on Sale or Grants Received and Receivable	Approved Transfer Between Projects	Transfer to Unamortized Capital Allocations	Closing
Wainwright High School modernization	$ 198,960	$ -	$ -	$ -	$ 198,960
Interest earned - available for future projects	27,707	-	-	-	27,707
	$ 226,667	$ -	$ -	$ -	$ 226,667

10 UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully supported debenture principal repayments.

Details are as follows:

	2006	2005
Opening balance	$ 25,133,688	$ 25,698,652
Net book value of supported capital assets disposed of	-	(476,432)
Transfer from deferred capital allocations - Note 9	-	512,503
Supported debenture and capital loan principal repayments	1,284,366	1,323,493
Less capital allocation for amortization	(1,976,668)	(1,924,528)
	$ 24,441,386	$ 25,133,688

11. OPERATING RESERVES

	Opening	(Appropriated) Transfer from operating revenues	(Used) Transfer to operating revenues	Transfers to other reserves	Closing
Schools	$ 238,531	$ 201,293	$ (268,417)	$ -	$ 171,407
Technology	-	17,135	(17,135)	-	-
C.O. Administration	75,547	-	(27,956)	-	47,591
District - van	15,700	8,500	-	-	24,200
Election	-	10,000	-	-	10,000
Lions Quest	-	26,064	-	-	26,064
C.O. building fund	194,909	18,000	-	-	212,909
Maintenance - general	312,652	269,270	(25,854)	-	556,068
Maintenance - vehicles	45,834	30,000	-	-	75,834
Family School Liaison Program	31,409	-	(31,409)	-	-
Transportation	155,095	6,676	(12,600)	-	149,171
Transportation - vehicles	23,199	4,000	(23,199)	-	4,000
Transportation - Edulog	30,789	-	(5,000)	-	25,789
	$ 1,123,665	$ 590,938	$ (411,570)	$ -	$ 1,303,033

12. CAPITAL RESERVES

	Opening	Transfer from operating revenues	Transfer to operating revenues	Transfers to other reserves	Closing
Land	$ 7,002	2,000	-	-	$ 9,002

13. DISCLOSURE OF SALARY, BENEFITS AND REIMBURSED EXPENSES

	Number of Individuals	Salaries & Wages	Benefits & Allowances	Total	Reimbursed Expenses
Romanchuk, Brent (Chairman)	1.0	$ 19,793	$ 1,914	$ 21,707	$ 13,294
Belanger, Gail	1.0	16,867	3,156	20,023	12,243
Bell, Larry	1.0	13,940	3,723	17,663	6,923
Eddleston, Darcy	1.0	12,022	3,667	15,689	9,270
Ford, Doreen	1.0	16,868	2,036	18,904	9,722
Hinton, Lucky	1.0	14,610	4,426	19,036	8,436
Nelson, David	1.0	13,047	4,366	17,413	8,313
Olsen, Lana	1.0	12,700	2,582	15,282	8,826
Van Ee, Richard	1.0	12,807	4,347	17,154	6,218
Superintendent	1.0	123,000	9,892	132,892	8,344
Secretary/Treasurer	0.6	33,046	7,535	40,581	5,256
Treasurer	0.5	60,146	75,408	135,554	5,619
Salaries - Certificated (FTE)	277.9	20,105,695	2,258,892	22,364,587	
Salaries/Wages - Uncertificated (FTE)	196.5	5,677,353	1,371,807	7,049,160	
		$ 26,131,894	$ 3,753,751	$ 29,885,645	

Note that the reimbursed expenses were recoveries of costs incurred while on school jurisdiction business and no personal expenses were paid by the school jurisdiction.

14. CONTINGENCIES

Contingent Liability

The jurisdiction is a member of the Alberta Local Authorities Reciprocal Insurance Exchange formerly (Genesis). Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called ALARIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims.

15. PENSION COSTS

During the year, Alberta Learning paid the pension plan contributions for the certificated staff to the Alberta Teachers Retirement Fund on behalf of Buffalo Trail Public Schools Regional Division No. 28. The amount of the required contributions for the 2005/2006 year was $2,589,306 (2004/2005 - $2,589,306). If this amount were paid by the Division an equal amount of grant revenue would have been received from Alberta Learning.

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Buffalo Trail Public Schools Regional Division No. 28's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. SCHOOL GENERATED FUNDS

	2006	2005
Balance, beginning of the year	$ 607,278	$ 577,929
Source of school generated funds (SGF)		
SGF for the year	1,434,911	1,353,886
Less: Cost of generating SGF	(543,754)	(562,083)
Donations received	72,640	90,006
Net SGF additions for the year	963,797	881,809
Net SGF available for discretionary spending	1,571,075	1,459,738
SGF expended for discretionary purposes	(952,010)	(852,460)
Balance, end of year	$ 619,065	$ 607,278

18. RELATED PARTY TRANSACTIONS

Effective 2005-06, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
2005/06	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta				
Education	$ 152,504	$ -	$ 40,994,724	$ -
Infrastructure & Transportation	87,397	-	384,723	-
Finance	424,119	424,119	292,354	292,354
Health & Wellness	-	-	15,000	-
Human Resources/Employment	-	-	-	
Other Gov't of Alberta depts.	-	-	165,857	-
Other				
Health authorities	-	-	-	-
Post-secondary institutions	-	-	-	-
Other Alberta school jurisdictions	-	-	172,073	-
Other related parties	-	-	-	-
TOTAL 2005-06	$ 664,020	$ 424,119	$ 42,024,731	$ 292,354
TOTAL 2004-05	$ 1,440,776	$ 497,989	$ 30,364,288	$ 343,771

19. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

20. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2006 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 1155

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$39,769,554	$29,346,188	$4,362,884	$4,510,482	$1,550,000	$0
(2) **Alberta Infrastructure & Transportation**	$255,499	$0	$255,499			
(3) **Alberta Finance**	$875,654		$875,654			$0
(4) **Other - Government of Alberta**	$94,017	$0	$0	$0	$0	$94,017
(5) **Federal Government and/or First Nations**	$124,834	$122,800	$0	$0	$2,034	$0
(6) **Other Alberta school authorities**	$19,547	$0	$12,912	$0	$0	$6,635
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$69,714	$0	$0	$0	$0	$69,714
(9) **Instruction resource fees**	$403,906	$403,906				
(10) **Transportation fees**	$53,581			$53,581		
(11) **Other sales and services**	$744,782	$567,416	$118,690	$13,274	$608	$44,794
(12) **Investment income**	$181,550	$181,550	$0	$0	$0	$0
(13) **Gifts and donations**	$20,856	$19,674	$0	$0		$1,182
(14) **Rentals of facilities**	$18,750	$0	$18,750	$0	$0	$0
(15) **Net school generated funds**	$945,460	$945,460			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$1,976,668	$0	$1,976,668	$0		$0
(18) **TOTAL REVENUES**	$45,554,372	$31,586,994	$7,621,057	$4,577,337	$1,552,642	$216,342
EXPENSES						
(19) **Certificated salaries**	$20,228,695	$20,140,142			$88,553	$0
(20) **Certificated benefits**	$2,268,784	$2,250,058			$18,726	$0
(21) **Uncertificated salaries and wages**	$5,903,199	$3,520,033	$1,463,225	$110,277	$776,997	$32,667
(22) **Uncertificated benefits**	$1,484,967	$905,536	$318,153	$26,921	$157,063	$77,294
(23) **SUB - TOTAL**	$29,885,645	$26,815,769	$1,781,378	$137,198	$1,041,339	$109,961
(24) **Services, contracts & supplies**	$11,019,588	$3,324,782	$2,656,736	$4,443,663	$465,576	$128,831
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$945,460	$945,460				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$1,976,668	$0	$1,976,668	$0	$0	$0
(28) Unsupported	$821,216	$727,117	$66,537	$0	$27,562	$0
(29) Total Amortization	$2,797,884	$727,117	$2,043,205	$0	$27,562	$0
Interest on capital debt						
(30) Supported	$875,654	$0	$875,654	$0	$0	$0
(31) Unsupported	$32,868	$32,868	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$45,917	$14,297	$21,569	$0	$10,051	$0
(34) **TOTAL EXPENSES**	$45,603,016	$31,860,293	$7,378,542	$4,580,861	$1,544,528	$238,792
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	($48,644)	($273,299)	$242,515	($3,524)	$8,114	($22,450)

School Jurisdiction Code: 1155

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$633,456
Base Instruction (Gr 1-12)	$22,396,152
Outreach Programs	$104,040
Home Education	$0
Differential Cost Funding *	$14,630,876
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$34,055
Provincial Priority Targeted Funding	
Class Size Initiative	$752,236
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$565,750
High Speed Networking	$138,966
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$384,804
Other Alberta Education Revenues (describe): textbooks = 23,427; special projects = 55,178; one-time = 50,614	$129,219
Total Alberta Education Revenues	$39,769,554

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 1155

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,464,204	$936,577	$225,699		$0	$0	$2,626,480
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,096,158	$1,109,944	$336,991		$0		$2,543,093
ECS Program Unit (PUF)	$41,457	$334,433	$117,146		$0		$493,036
Severe Disabilities (Gr 1-12)	$216,316	$884,593	$1,953		$0		$1,102,862
English as a Second Language	$11,799	$19,780	$0		$0		$31,579
French Language Program & Francisation (all jurisdictions)	$191,997	$184,915	$0		$0		$376,912
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$290,563	$52,630	$223,607	$0	$0		$566,800
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$19,077,706	$902,697	$2,419,386	$0	$0	$0	$24,119,531
TOTAL EXPENSES	$22,390,200	$4,425,569	$3,324,782	$0	$0	$0	$31,860,293

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	15.1	54.8
ECS Program Unit (PUF)	0.4	16.5
Severe Disabilities (Gr 1-12)	2.9	43.7

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 1155

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$45,603,016**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.81%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,193,505
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$2,193,505**
Less: 2005/2006 Board and System Administration expenses		-$1,544,528
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$648,977

School Jurisdiction Code: 1155

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$607,278
Source of Net School Generated Funds:				
Fundraising activities	$1,289,944	$518,641	$771,303	
Student fees (Non-Instructional) (Note 2)	$31,185	$0	$31,185	
Donations and grants to schools	$72,640	$0	$72,640	
Other (describe): Cafeteria	$113,782	$31,663	$82,119	
Net Additions to SGF	$1,507,551	$550,304		$957,247
Net SGF Available for Spending				$1,564,525
Application of Net School Generated Funds:				
Extra-curricular activities			$595,198	
School site beautification			$7,832	
Field Trips			$106,244	
Equipment			$20,393	
Family literacy and other community resources			$9,493	
Other (describe):			$206,300	
Net SGF Expended (Note 3)				$945,460
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$619,065

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 1155

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$832,576	$536,272	$0	$1,869	$92,508	$1,463,225		$1,463,225
Uncertificated benefits	$179,671	$118,163	$0	$355	$19,964	$318,153		$318,153
Sub-total Remuneration	$1,012,247	$654,435	$0	$2,224	$112,472	$1,781,378		$1,781,378
Contracted Services	$303,597	$0	$0	$678,690	$21,814	$1,004,101		$1,004,101
Supplies	$108,236	$205,927	$0	$126,433	$0	$440,596		$440,596
Electricity			$506,411			$506,411		$506,411
Natural Gas/Heating Fuel			$482,956			$482,956		$482,956
Sewer and Water			$78,194			$78,194		$78,194
Telecommunications			$25,724			$25,724		$25,724
Insurance					$118,754	$118,754		$118,754
Amortization of capital assets								
Supported							$1,976,668	$1,976,668
Unsupported						$66,537		$66,537
Total Amortization						$66,537	$1,976,668	$2,043,205
Interest on capital debt								
Supported							$875,654	$875,654
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$21,569		$21,569
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$1,424,080	$860,362	$1,093,285	$807,347	$253,040	$4,526,220	$2,852,322	$7,378,542
SQUARE METRES								
School Buildings								73,484.0
Non School Buildings								2,311.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1155

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Brent Romanchuk	1.0	$19,793	$1,914	$0			$21,707	$13,294
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Dorren Ford	1.0	$16,868	$2,036	$0			$18,904	$9,722
Name	Darcy Eddleston	1.0	$12,022	$3,667	$0			$15,689	$9,270
Name	Richard Van Ee	1.0	$12,807	$4,347	$0			$17,154	$6,218
Name	Larry Bell	1.0	$13,940	$3,723	$0			$17,663	$6,923
Name	David A. Nelson	1.0	$13,047	$4,366	$0			$17,413	$8,313
Name	Lucky Hinton	1.0	$14,610	$4,426	$0			$19,036	$8,436
Name	Lana Olsen	1.0	$12,700	$2,582	$0			$15,282	$8,826
Name	Gail Belanger	1.0	$16,867	$3,156	$0			$20,023	$12,243
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$132,654*	*$30,217*	*$0*			*$162,871*	*$83,245*
Superintendent	Greg Bass	1.0	$123,000	$9,892	$0	$0	$0	$132,892	$8,344
Superintendent		0.0			$0	$0	$0	$0	
Secretary/Treasurer	Pam Boomhower	0.6	$33,046	$7,535	$0	$0	$0	$40,581	$5,256
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Jens Byrgesen	0.5	$60,146	$10,449	$0	$0	$64,959	$135,554	$5,619
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		277.9	$20,105,695	$2,258,892	$0	$0	$0	$22,364,587	
Uncertificated Salaries & Wages		196.5	$5,677,353	$1,371,807	$0	$0	$0	$7,049,160	
TOTALS			**$26,131,894**	**$3,688,792**	**$0**	**$0**	**$64,959**	**$29,885,645**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 0151

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CALGARY ARTS ACADEMY SOCIETY
Legal Name of School Jurisdiction

4931 Grove Hill Road SW Calgary, AB T3E 4G4
Mailing Address

(403) 532-3020, Fax (403) 217-0965
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CALGARY ARTS ACADEMY SOCIETY (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Patricia M. Cavill — Name

"ORIGINAL SIGNED" — Signature

SUPERINTENDENT

Patrick Maguire — Name

"ORIGINAL SIGNED" — Signature

SECRETARY TREASURER OR TREASURER

Garry E. Schock — Name

"ORIGINAL SIGNED" — Signature

21-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 0151

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BDO
Driving growth

BDO Dunwoody LLP
Chartered Accountants
and Advisors

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Calgary Alberta Canada T2P 3W2
Telephone (403) 266-5608
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www.bdo.ca

Auditors' Report

To the Board of Directors
Calgary Arts Academy Society

We have audited the statement of financial position of Calgary Arts Academy Society as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets, and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BDO Dunwoody LLP

Chartered Accountants

Calgary, Alberta
October 20, 2006

BDO Dunwoody LLP *is a Limited Liability Partnership registered in Ontario*

School Jurisdiction Code: 0151

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$331,348	$266,705
Accounts receivable (net after allowances)		$67,270	$73,397
Prepaid expenses		$74,070	$31,158
Other current assets		$17,737	$0
Total current assets		$490,424	$371,260
School generated assets		$12,137	$2,256
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$137	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$0
TOTAL ASSETS		$502,698	$373,515
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$26,320	$69,911
Deferred revenue		$180,923	$92,061
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$207,243	$161,972
School generated liabilities		$12,137	$2,256
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$2,640	$0
Long term debt			
Supported:	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$14,777	$2,256
TOTAL LIABILITIES		$222,020	$164,228
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$280,678	$209,287
Accumulated Operating Surplus (Deficit)		$280,678	$209,287
Investment in capital assets		$0	$0
Capital Reserves		$0	$0
Total Capital Funds		$0	$0
Total net assets		$280,678	$209,287
TOTAL LIABILITIES AND NET ASSETS		$502,698	$373,515

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 0151

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$2,249,164	$2,184,149	$1,995,071
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$42,615	$84,175	$67,023
Transportation fees	$53,387	$67,800	$45,531
Other sales and services	$0	$0	$8,607
Investment income	$5,016	$0	$3,978
Gifts and donations	$0	$0	$1,923
Rentals of facilities	$800	$0	$950
Net school generated funds	$63,867	$0	$8,831
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$2,414,849	$2,336,124	$2,131,914
EXPENSES			
Certificated salaries	$901,844	$900,822	$692,650
Certificated benefits	$95,449	$103,595	$82,886
Uncertificated salaries and wages	$290,293	$264,250	$196,435
Uncertificated benefits	$30,774	$30,389	$17,838
Services, contracts and supplies	$971,111	$1,053,465	$1,053,393
Net school generated funds	$53,986	$0	$8,831
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$0	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$2,343,458	$2,352,520	$2,052,033
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$71,391	($16,396)	$79,881
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$71,391	($16,396)	$79,881

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 0151

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$71,391	$79,881
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$0
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$6,127	($3,034)
Prepaids and other current assets	($60,649)	($9,985)
Long term accounts receivable	$0	$0
Long term investments	($137)	$0
Payables and accrued liabilities	($40,951)	$39,628
Deferred revenue	$88,862	$30,537
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$64,643	$137,028
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$64,643	$137,028
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$266,705	$129,677
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$331,348	$266,705

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 0151

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols. 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$209,287	$0	$0	$209,287	$188,979	$0	$19,704	$0	$0	$0	$604	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$209,287	$0	$0	$209,287	$188,979	$0	$19,704	$0	$0	$0	$604	$0	$0	$0
Excess(def) of revenue over expenses	$71,391		$71,391											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		$0	$0											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($71,391)	$71,391	$35,788		$43,345		($23,227)		$15,485		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$280,678	$0	$0	$280,678	$224,767	$0	$63,049	$0	($23,227)	$0	$16,089	$0	$0	$0

School Jurisdiction Code: 0151

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$0	$0
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$0	$0
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$0	
	Infrastructure & Transportation-School/Modular Project Capital *	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2006		$0	$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. Authority and Purpose of the Society

The Society delivers educational programs, operating as the Calgary Arts Academy and Research Center under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 2002. The Society was incorporated on May 1, 2001 under the Societies Act of Alberta. Through a charter established with the Minister of Learning the Society operates a charter school from a single location. The school provides education from Kindergarten to Grade 9. The Charter is up for renewal on August 31, 2008.

The Society receives block allocation for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Society, within specified limits, to reallocate funding between the instruction and support blocks.

The Society is incorporated under the Societies Act of Alberta as a not-for-profit organization and as such is exempt from income taxes.

2. Significant Accounting Policies

The financial statements of the Society have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Revenue Recognition

The Society follows the deferral method of accounting for revenue.

Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered. Grants received, restricted donations and fees collected, in advance of the provision or use of related services, are deferred.

(b) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school authority because the accountability and control/ownership of these funds rests with school authority officials or their appointee. Revenue from school generated funds is recognized as the related expenses are incurred.

(c) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

2. Significant Accounting Policies - Continued

(d) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Calgary Arts Academy Society does not make pension contributions for certificated staff.

(e) Contributed Services

Volunteers assist the school in carrying out certain activities. Because of the difficulty of determining their fair market value and of the fact that such assistance is generally not otherwise purchased, contributed services of this nature are not recognized in the financial statements.

(f) Financial Instruments

The Society's financial instruments consist of various assets and liabilities. Except for the fact that a large concentration of cash is deposited with a single financial institution, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted. The Society has invested surplus funds in accordance with section 60 of the School Act and Section 5 of the Trustees Act.

3. Cash and Short-term Investment

The Society maintains a number of bank accounts including separate bank accounts for gaming fund activities. The gaming bank accounts are restricted as to the type of expenditures as set out in the provisions of the licenses obtained from the provincial government gaming authorities. $64,021 of the cash is restricted by the provisions of these licenses. Also included in cash are grant monies received from the government in the amount of $30,000 and school council monies of $12,137, both of which are restricted in how the monies may be spent.

The Society has a 375 day, non-redeemable term deposit with First Calgary Savings and Credit Union, earning interest at 2.25% per annum, and maturing October 7, 2006.

4. Deferred Revenue

		2006		2005
Province of Alberta				
Alberta Education funding	$	30,000	$	-
Casino funds		72,110		-
School Council funds		12,137		2,256
Other funds		2,640		-
Calgary Board of Education Lease Commitments		-		8,229
AISI Project		-		9,044
		116,887		19,529
Bus and Resource fees received in advance		78,814		74,788
	$	195,701	$	94,317

5. Commitment

The Society leases one school and six portables from the Calgary Board of Education. The lease expires July 31, 2008. During the year, the Society also signed a lease with Bethel Baptist Church for additional space. The lease expires June 30, 2007. The Society's minimum annual lease payments for the next two years are as follows:

2007	$	326,436
2008	$	282,091

For the upcoming year, the Board of Directors has committed to spend $18,000 from the Enhancement Fund on technology purchases.

6. Economic Dependence on Related Third Party

The Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

7. Subsequent Events

At August 31, 2006, the Society placed a deposit on a van. The purchase of the van was completed subsequent to year.
In Ooctober 2006, the School Council began operating with 100% control of their financial affairs.

SCHEDULE A to the AFS

School Jurisdiction Cod 0151

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$2,228,191	$1,605,857	$495,178	$69,934	$57,222	$0
(2) **Alberta Infrastructure & Transportation**	$20,000	$0	$20,000			
(3) **Alberta Finance**	$0		$0			$0
(4) **Other - Government of Alberta**	$973	$973	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$42,615	$42,615				
(10) **Transportation fees**	$53,387			$53,387		
(11) **Other sales and services**	$0	$0	$0	$0	$0	$0
(12) **Investment income**	$5,016	$5,016	$0	$0	$0	$0
(13) **Gifts and donations**	$0	$0	$0	$0		$0
(14) **Rentals of facilities**	$800	$800	$0	$0	$0	$0
(15) **Net school generated funds**	$63,867	$63,867			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(18) **TOTAL REVENUES**	$2,414,849	$1,719,128	$515,178	$123,321	$57,222	$0
EXPENSES						
(19) **Certificated salaries**	$901,844	$901,844			$0	$0
(20) **Certificated benefits**	$95,449	$95,449			$0	$0
(21) **Uncertificated salaries and wages**	$290,293	$290,293	$0	$0	$0	$0
(22) **Uncertificated benefits**	$30,774	$30,774	$0	$0	$0	$0
(23) **SUB - TOTAL**	$1,318,360	$1,318,360	$0	$0	$0	$0
(24) **Services, contracts & supplies**	$971,111	$310,993	$471,833	$107,836	$80,449	$0
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$53,986	$53,986				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$0	$0	$0	$0	$0	$0
(28) Unsupported	$0	$0	$0	$0	$0	$0
(29) Total Amortization	$0	$0	$0	$0	$0	$0
Interest on capital debt						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$2,343,458	$1,683,340	$471,833	$107,836	$80,449	$0
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$71,391	$35,788	$43,345	$15,485	($23,227)	$0

School Jurisdiction Code: 0151

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$81,408
Base Instruction (Gr 1-12)	$1,348,065
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$208,354
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$973
Provincial Priority Targeted Funding	
Class Size Initiative	$53,529
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$38,857
High Speed Networking	$2,800
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): $495k P.O.&M.	$494,205
Total Alberta Education Revenues	$2,228,191

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 0151

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$937,763	$303,350	$292,128		$0	$0	$1,533,241
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$0	$0		$0		$0
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$6,000	$17,718	$15,741		$0		$39,459
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$3,124		$0		$3,124
Class Size	$53,529	$0	$0	$0	$0		$53,529
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0		$0	$0	$53,986
TOTAL EXPENSES	$997,293	$321,067	$310,993	$0	$0	$0	$1,683,340

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note:

1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 0151

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$2,343,458**
STEP 1 **Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses**		
If "Total Net Enrolled Students" are 6,000 and over = 4%		**6.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%		

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2 **Calculate maximum expense limit AMOUNTS for Board and System Administration expenses**		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$140,607
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$57,222	$140,607
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$140,607**
Less: 2005/2006 Board and System Administration expenses		-$80,449
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$60,159

School Jurisdiction Code: 0151

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$2,256
Source of Net School Generated Funds:				
Fundraising activities	$37,038	$19,787	$17,250	
Student fees (Non-Instructional) (Note 2)	$46,442	$0	$46,442	
Donations and grants to schools	$175	$0	$175	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$83,654	$19,787		$63,867
Net SGF Available for Spending				$66,123
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School site beautification			$0	
Field Trips			$33,045	
Equipment			$5,070	
Family literacy and other community resources			$0	
Other (describe): Performances, costumes, sets, design			$15,872	
Net SGF Expended (Note 3)				$53,986
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$12,137

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 0151

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$80,218	$7,418	$0	$0	$327,736	$415,372		$415,372
Supplies	$8,420	$0	$0	$0	$0	$8,420		$8,420
Electricity			$11,323			$11,323		$11,323
Natural Gas/Heating Fuel			$26,561			$26,561		$26,561
Sewer and Water			$6,186			$6,186		$6,186
Telecommunications			$0			$0		$0
Insurance					$3,971	$3,971		$3,971
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$88,639	$7,418	$44,070	$0	$331,707	$471,833	$0	$471,833
SQUARE METRES								
School Buildings								2,860.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 0151

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Patricia M. Cavill	1.0	$0	$0	$0			$0	$1,801
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Jane Matheson, Vice Chair	1.0	$0	$0	$0			$0	$0
Name	Tejinder Basi, Board Secretary	0.8	$0	$0	$0			$0	$0
Name	Chris Morrison, Board Treasurer	1.0	$0	$0	$0			$0	$0
Name	Myke Archibald, School Council Chair	1.0	$0	$0	$0			$0	$0
Name	Ken McNeill, Past Chair	1.0	$0	$0	$0			$0	$0
Name	Laura Laycock	0.8	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.6*	*$0*	*$0*	*$0*			*$0*	*$1,801*
Superintendent	Patrick Maguire	0.3	$44,157	$0	$0	$0	$0	$44,157	$556
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Garry Schock	1.0	$55,000	$6,981	$0	$0	$0	$61,981	$1,304
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		#REF!	$901,844	$95,449	$0	$0	$0	$997,293	
Uncertificated Salaries & Wages		#REF!	$290,293	$30,774	$0	$0	$0	$321,067	
TOTALS			**$1,291,295**	**$133,204**	**$0**	**$0**	**$0**	**$1,424,498**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 152

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Calgary Girls' School Society
Legal Name of School Jurisdiction

6304 Larkspur Way SW, Calgary, Alberta T3E 5P7
Mailing Address

P - 403-220-0745 F - 403-217-1371
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Calgary Girls' School Society
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Richard Weber & Liz LoVecchio	ORIGINAL SIGNED'
Name	**Signature**

SUPERINTENDENT

Ches Cowley	ORIGINAL SIGNED'
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Jan Jordan	ORIGINAL SIGNED'
Name	**Signature**

5-Jun-07
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 152

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PROSPERA
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of Calgary Girls School Society
Jurisdiction 152

We have audited the statement of financial position of Calgary Girls School Society as at August 31, 2006 and the statements of revenues and expenditures, changes in net assets and cash flows and schedules A to G for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian Generally Accepted Auditing Standards. Those standards require that we plan and perform an audit to obtain reasonable assurances as to whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian Generally Accepted Accounting Principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Calgary, Alberta
November 2, 2006

PROSPERA CHARTERED ACCOUNTANTS

#404, 10325 Bonaventure Drive S.E.
Calgary, Alberta T2J 7E4
Telephone: (403) 252-5858 Fax: (403) 259-8416 www.partnersinprosperity.ca

School Jurisdiction Code: 152

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$1,933,703	$591,423
Accounts receivable (net after allowances)		$34,141	$200,314
Prepaid expenses		$9,486	$15,461
Other current assets		$0	$128,417
Total current assets		$1,977,330	$935,615
School generated assets		$78,794	$0
Trust assets			$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$122,504		
Less: accumulated amortization	($53,783)	$68,721	$95,613
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$68,721	$95,613
TOTAL ASSETS		$2,124,845	$1,031,228
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$116,286	$23,653
Deferred revenue		$445,611	$127,647
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$561,897	$151,300
School generated liabilities		$78,794	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$78,794	$0
TOTAL LIABILITIES		$640,691	$151,300
NET ASSETS			
Unrestricted net assets		$621,840	$0
Operating Reserves		$793,593	$784,315
Accumulated Operating Surplus (Deficit)		$1,415,433	$784,315
Investment in capital assets		$68,722	$95,613
Capital Reserves		$0	$0
Total Capital Funds		$68,722	$95,613
Total net assets		$1,484,155	$879,928
TOTAL LIABILITIES AND NET ASSETS		$2,124,846	$1,031,228

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements

School Jurisdiction Code: 152

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$3,728,667	$3,394,598	$3,154,811
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$48,875	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$30,783	$30,160	$32,075
Transportation fees	$191,522	$192,444	$138,620
Other sales and services	$0	$0	$0
Investment income	$0	$0	$8,144
Gifts and donations	$0	$750	$4,738
Rentals of facilities	$0	$0	$400
Net school generated funds	$9,278	$0	$4,426
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$3,960,250	$3,666,827	$3,343,214
EXPENSES			
Certificated salaries	$1,474,043	$1,608,626	$1,224,269
Certificated benefits	$130,817	$151,418	$96,482
Uncertificated salaries and wages	$118,515	$132,214	$72,819
Uncertificated benefits	$6,901	$9,572	$10,559
Services, contracts and supplies	$1,589,578	$1,764,997	$1,276,496
Net school generated funds	$9,278	$0	$0
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$26,891	$0	$26,891
Total Amortization of capital assets	$26,891	$0	$26,891
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$3,356,023	$3,666,827	$2,707,516
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$604,227	$0	$635,698
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$604,227	$0	$635,698

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$604,227	$635,698
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$26,891	$26,891
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$166,173	$184,159
Prepaids and other current assets	$134,392	($139,446)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$92,633	$0
Deferred revenue	$317,964	($371,815)
Employee future benefit expense (recovery)	$0	$15,960
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$1,342,280	$351,447
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$1,342,280	$351,447
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$591,423	$239,976
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$1,933,703	$591,423

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 152

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$879,928	$95,613	$0	$784,315	$784,315	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$879,928	$95,613	$0	$784,315	$784,315	$0	$0	$0	$0	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$604,227		$604,227											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($26,891)	$26,891											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($9,278)	$9,278	$0		$0		$9,278		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$1,484,155	$68,722	$621,840	$793,593	$784,315	$0	$0	$0	$9,278	$0	$0	$0	$0	$0

School Jurisdiction Code: 152

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$0	$0
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$0	$0
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$0	
	Infrastructure & Transportation-School/Modular Project Capital *	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2006		$0	$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. AUTHORITY AND PURPOSES

The Calgary Girls' School Society (the "society") is a non-profit society incorporated under the Society's Act of Alberta. The society operates the Calgary Girls' School, which is a registered charter school under the Province of Alberta School Act. In addition, the society is a registered charitable organization with Canada Revenue Agency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies as follows:

School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usualy collected, retained and expended at the school level (e.g. year book, graduation fees and field trip fees.)

Vacation Pay

Vacation pay is accrued in the period in which employees earn the benefit.

Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year end and are accordingly recorded as prepaid expenses. certain insurance expenses also fall into this category. In the 2006/07 school year a second facility was opened and any expenses relating to these start up costs have been treated as prepaid for that school year.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The society uses the deferral method of recognizing contributions and fund raising which are reported as income in the year spent, except for funds designated as reserve funds created at the discretion of the Board of Directors.

Instruction and support allocations are recognized in the year to which they relate.

Unrestricted donations are recognized as revenue when received. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Property and equipment

Property and equipment are recorded at cost. Amortization commences, subsequent to the period of purchase, over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	30%	straight-line method
Office equipment	20%	straight-line method

All building component repairs are expensed as incurred and only property and equipment assets with a cost in excess of $5,000 are capitalized.

Contributed services

Volunteers provide assistance to the school in carrying out certain activities. The value of the contributed services is not recognized in these financial statements as it is not possible to determine the fair value of such assistance.

Reserves for future expenditures

Reserves are established at the discretion of the board for future operating and capital expenditures. Transfers to and/or from capital reserves are shown as an adjustment to the capital equity.

Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the society does not make pension contributions for certified staff.

3. FINANCIAL INSTRUMENTS

The society's financial instruments consist of cash, short-term deposits, accounts receivable and accounts payable and accrued liabilities. It is management's opinion that the society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

4. CASH

	2006	2005
Petty cash	$ 545	$ 295
Casino account	111	-
Bank - chequing-Scotiabank	354,507	591,128
Bank - Savings	536,067	128,417
GIC	1,042,473	-
	$ 1,933,703	$ 719,840

The GIC's are invested in one year term deposits at rates from 3.0% to 4.0%.

$411,470 of this cash balance is restricted in use and has already been designated for specific expenditures in the 2006/07 school year.

5. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	2006	2005
Casino - School Generated Funds	$ 78,794	$ -
Interest	3,269	-
Alberta Infrastructure	-	180,005
GST recoverable	30,262	20,309
	$ 112,325	$ 200,314

6. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2006 Net book value	2005 Net book value
Computer equipment	$ 23,903	$ 14,342	$ 9,561	$ 16,732
Office equipment	98,601	39,441	59,160	78,881
	$ 122,504	$ 53,783	$ 68,721	$ 95,613

7. DEFERRED REVENUE

Deferred revenues represent funds received during the school year, which have not been taken into income during the school year in which the funds were received. These funds will be recognized as income when they are expended on approved projects. Deferred revenues are as follows:

	2006	2005
Transportation	**$ 144,213**	$ 98,839
Resource fees	**35,163**	28,808
Casino - School Generated Funds	**78,794**	-
Donations and investment income	**81,241**	-
Video conferencing grant	**30,000**	-
Revenue for Bel Aire renovations	**68,684**	-
Revenue for Bel Aire library	**86,310**	-
	$ 524,405	$ 127,647

These funds have been co-mingled with the Society's general bank account.

8. INTERNALLY RESTRICTED NET ASSETS

The board of directors has internally restricted the use of the unrestricted net assets to assist with future operating and capital expenditures.

9. DONATIONS

Donations are received from sponsors and through the fund raising efforts of both the Board of Directors and the School Council. Any donations not spent in the current year are deferred and will be recognized as revenue when the corresponding expense is incurred.

10. RELATED PARTY TRANSACTIONS

The following is a summary of the society's related party transactions: Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post secondary institutions and other school jurisdictions in Alberta. The 152 School Division has related party transactions for the year ended August 31, 2006 with the Calgary Board of Education recorded on the Statement of Revenue and Expenses, at amount of consideration agreed upon between the related parties.

	2006	2005
Government of Alberta		
Revenue		
Education	**$ 3,728,667**	$ 2,752,355
Infrastructure & Transportation	-	402,456
Government of Alberta		
Deferred Revenue		
Education	**184,994**	-
Calgary Board of Education		
Rent expenses		
Lease payments	**386,714**	386,714

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. COMMITMENTS

The Society entered into an operating lease agreement with the Calgary Board of Education on August 15, 2003 for the Lakeview campus. It entered a further lease for the Bel Aire campus on June 13, 2006. The first lease payment for Bel Aire is due September 1, 2006. The Lakeview campus lease expires on July 31, 2008. The Bel Aire campus lease expires on June 30, 2008. Lease payments are to be made as follows:

August 1, 2006	$ 348,043
September 1, 2006	121,244
May 1, 2007	52,143
August 1, 2007	348,043
September 1, 2007	121,244
May 1, 2008	52,143
	$ 1,042,860

The school has agreed to lease aditional space at a second campus in Bel aire. It is expected that all expenses related to this will be funded through grants.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Calgary Girls' School Society's primary source of revenue is from the Alberta Government. The Society's ability to continue viable operations is dependent on this continued funding.

13. COMPARATIVE FIGURES

The comparative figures have been reclassified due to the introduction of a new chart of accounts.

SCHEDULE A to the AFS

School Jurisdiction Code 152

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education**	$3,728,667	$2,468,954	$883,817	$206,808	$169,088	$0
(2)	**Alberta Infrastructure & Transportation**	$0	$0	$0			
(3)	**Alberta Finance**	$0		$0			$0
(4)	**Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(5)	**Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(6)	**Other Alberta school authorities**	$0		$0	$0	$0	$0
(7)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(8)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9)	**Instruction resource fees**	$30,783	$30,783				
(10)	**Transportation fees**	$191,522			$191,522		
(11)	**Other sales and services**	$0	$0	$0	$0	$0	$0
(12)	**Investment income**	$0	$0	$0	$0	$0	$0
(13)	**Gifts and donations**	$0	$0	$0	$0		$0
(14)	**Rentals of facilities**	$0	$0	$0	$0	$0	$0
(15)	**Net school generated funds**	$9,278	$9,278			$0	
(16)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17)	**Amortization of capital allocations**	$0	$0	$0	$0		$0
(18)	**TOTAL REVENUES**	$3,960,250	$2,509,015	$883,817	$398,330	$169,088	$0
	EXPENSES						
(19)	**Certificated salaries**	$1,474,043	$1,474,043			$0	$0
(20)	**Certificated benefits**	$130,817	$130,817			$0	$0
(21)	**Uncertificated salaries and wages**	$118,515	$79,834	$0	$0	$38,681	$0
(22)	**Uncertificated benefits**	$6,901	$4,870	$0	$0	$2,031	$0
(23)	**SUB - TOTAL**	$1,730,276	$1,689,564	$0	$0	$40,712	$0
(24)	**Services, contracts & supplies**	$1,589,578	$338,421	$709,337	$413,444	$128,376	$0
(25)	**Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26)	**Net school generated funds**	$9,278	$9,278				
	Capital and debt services						
	Amortization of capital assets						
(27)	Supported	$0	$0	$0	$0	$0	$0
(28)	Unsupported	$26,891	$0	$26,891	$0	$0	$0
(29)	Total Amortization	$26,891	$0	$26,891	$0	$0	$0
	Interest on capital debt						
(30)	Supported	$0	$0	$0	$0	$0	$0
(31)	Unsupported	$0	$0	$0	$0	$0	$0
(32)	Other interest charges	$0	$0	$0	$0	$0	$0
(33)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34)	**TOTAL EXPENSES**	$3,356,023	$2,037,263	$736,228	$413,444	$169,088	$0
(35)	**EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$604,227	$471,752	$147,589	($15,114)	$0	$0

School Jurisdiction Code: 152

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$2,360,368
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$1,208,970
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$3,912
Provincial Priority Targeted Funding	
Class Size Initiative	$26,436
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$48,875
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe):	$80,106
Total Alberta Education Revenues	$3,728,667

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 152

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$0	$111,403	$532,003		$0	$0	$643,406
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$0	$0		$0		$0
English as a Second Language	$16,458	$0	$0		$0		$16,458
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$9,360	$0	$0		$0		$9,360
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$31,092	$0	$16,401	$8,834	$0		$56,327
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$26,436	$0	$0	$0	$0		$26,436
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$1,494,815	$0		$0	$0	$0	$1,285,276
TOTAL EXPENSES	$1,578,161	$111,403	$548,404	$8,834	$0	$0	$2,037,263

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note:

1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 152

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$3,356,023**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$201,361

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $57,222	$57,222	$201,361
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$201,361**
Less: 2005/2006 Board and System Administration expenses		-$169,088
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$32,273

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$0
Source of Net School Generated Funds:				
Fundraising activities	$78,794	$0	$78,794	
Student fees (Non-Instructional) (Note 2)	$29,868	$0	$29,868	
Donations and grants to schools	$9,278		$9,278	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$117,940	$0		$117,940
Net SGF Available for Spending				$117,940
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School site beautification			$0	
Field Trips			$29,868	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe): Student Support Fund			$9,278	
Net SGF Expended (Note 3)				$39,146
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$78,794

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 152

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$54,324	$44,774	$0	$0	$546,018	$645,116		$645,116
Supplies	$13,170	$0	$0	$0	$0	$13,170		$13,170
Electricity			$20,024			$20,024		$20,024
Natural Gas/Heating Fuel			$24,849			$24,849		$24,849
Sewer and Water			$0			$0		$0
Telecommunications			$4,015			$4,015		$4,015
Insurance					$2,163	$2,163		$2,163
Amortization of capital assets								
Supported							$0	$0
Unsupported						$26,891		$26,891
Total Amortization						$26,891	$0	$26,891
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$67,494	$44,774	$48,888	$0	$548,181	$736,228	$0	$736,228
SQUARE METRES								
School Buildings								3,594.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 152

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Liz LoVecchio	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Richard Weber	1.0	$0	$0	$0			$0	$0
Name	Julie Kearns	1.0	$0	$0	$0			$0	$0
Name	Jim Barmby	1.0	$0	$0	$0			$0	$0
Name	Chris Bailey	1.0	$0	$0	$0			$0	$0
Name	Nancy Morton	1.0	$0	$0	$0			$0	$0
Name	Jody Johnson	1.0	$0	$0	$0			$0	$0
Name	Dawn Manning	1.0	$0	$0	$0			$0	$0
Name	Lynn Bosetti	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Ches Cowley	0.8	$98,678	$0	$0	$5,000	$0	$103,678	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Jan Jordan	1.0	$38,681	$2,031	$0	$0	$0	$40,712	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		25.5	$1,447,344	$130,817	$0	$0	$0	$1,578,161	
Uncertificated Salaries & Wages		4.0	$107,235	$4,168	$0	$0	$0	$111,403	
TOTALS			**$1,691,938**	**$137,016**	**$0**	**$5,000**	**$0**	**$1,833,954**	

Note: Please refer to completion information on page 15

The position of the Supertindent is contracted out.

School Jurisdiction Code: 4010

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Calgary Roman Catholic Separate School District No. 1
Legal Name of School Jurisdiction

1000 - 5 Avenue S.W. Calgary, Alberta T2P 4T9
Mailing Address

Telephone (403) 298-1411 Fax (403) 265-5710
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Calgary Roman Catholic Separate School District No. 1 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Cathie Williams	" ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
Dr. Jeremy Simms	" ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Deborah Achen	" ORIGINAL SIGNED"
Name	**Signature**

29-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 4010

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AUDITORS' REPORT

To the Board of Trustees of the
Calgary Roman Catholic Separate School District No. 1

We have audited the Statement of Financial Position of the **Calgary Roman Catholic Separate School District No. 1** as at August 31, 2006 and the Statements of Revenues and Expenses, Cash Flows, and Changes in Net Assets for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Calgary Roman Catholic Separate School District No. 1 as at August 31, 2006 and the results of its operations, its cash flows, and changes in its net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Ernst + Young LLP
Chartered Accountants

Calgary, Canada
November 10, 2006

School Jurisdiction Code: 4010

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005 Restated
ASSETS			
Current assets			
Cash and temporary investments		$33,932,280	$13,293,326
Accounts receivable (net after allowances)		$24,777,945	$26,403,715
Prepaid expenses		$1,101,215	$1,439,455
Other current assets		$340,602	$366,941
Total current assets		$60,152,042	$41,503,437
School generated assets		$2,028,113	$2,296,635
Trust assets		$411,299	$713,174
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$4,002,888	$4,002,888
Buildings	$387,381,979		
Less: accumulated amortization	($148,934,878)	$238,447,101	$231,531,017
Equipment	$33,161,656		
Less: accumulated amortization	($20,125,828)	$13,035,828	$12,132,711
Vehicles	$1,497,225		
Less: accumulated amortization	($902,674)	$594,551	$541,683
Total capital assets		$256,080,368	$248,208,299
TOTAL ASSETS		$318,671,822	$292,721,545
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$30,584,025	$28,428,835
Deferred revenue		$882,665	$1,900,574
Deferred capital allocations		$19,181,492	$2,818,460
Current portion of all long term debt		$5,211,654	$5,537,281
Total current liabilities		$55,859,836	$38,685,150
School generated liabilities		$2,028,113	$2,296,635
Trust liabilities		$411,299	$713,174
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported Debentures and other supported debt		$14,832,794	$20,370,075
Less: Current portion of supported debt		($5,211,654)	($5,537,281)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$211,106,571	$198,363,413
Total long term liabilities		$223,167,123	$216,206,016
TOTAL LIABILITIES		$279,026,959	$254,891,166
NET ASSETS			
Unrestricted net assets		$4,116,379	$3,039,138
Operating Reserves		$5,341,674	$5,279,674
Accumulated Operating Surplus (Deficit)		$9,458,053	$8,318,812
Investment in capital assets		$30,141,003	$29,474,810
Capital Reserves		$45,807	$36,757
Total Capital Funds		$30,186,810	$29,511,567
Total net assets		$39,644,863	$37,830,379
TOTAL LIABILITIES AND NET ASSETS		$318,671,822	$292,721,545

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements

School Jurisdiction Code: 4010

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005 Restated
REVENUES			
Government of Alberta	$315,976,218	$305,345,168	$298,314,926
Federal Government and/or First Nations	$293,543	$858,378	$822,447
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$577,023	$476,500	$428,382
Transportation fees	$868,310	$1,404,635	$83,538
Other sales and services	$3,438,416	$3,691,000	$2,895,549
Investment income	$980,159	$740,000	$629,964
Gifts and donations	$122,481	$0	$618
Rentals of facilities	$1,767,792	$1,952,732	$1,698,881
Net school generated funds	$3,557,664	$2,600,000	$3,224,193
Gains on disposal of capital assets	$19,901	$0	$1,327
Amortization of capital allocations	$10,083,575	$9,907,246	$9,411,504
Total Revenues	$337,685,082	$326,975,659	$317,511,329
EXPENSES			
Certificated salaries	$183,433,635	$179,599,234	$176,517,094
Certificated benefits	$22,729,187	$22,267,551	$21,942,614
Uncertificated salaries and wages	$41,319,253	$42,344,030	$39,622,946
Uncertificated benefits	$9,787,662	$10,478,847	$9,565,439
Services, contracts and supplies	$60,967,530	$57,471,492	$52,581,746
Net school generated funds	$3,557,664	$2,600,000	$3,224,193
Capital and debt services			
Amortization of capital assets			
Supported	$10,083,575	$9,907,246	$9,411,504
Unsupported	$2,367,860	$2,667,889	$2,594,147
Total Amortization of capital assets	$12,451,435	$12,575,135	$12,005,651
Interest on capital debt			
Supported	$1,585,259	$1,585,259	$2,126,772
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,585,259	$1,585,259	$2,126,772
Other interest charges	$38,973	$0	$8,789
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$335,870,598	$328,921,548	$317,595,244
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,814,484	($1,945,889)	($83,915)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$1,814,484	($1,945,889)	($83,915)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 4010

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$1,814,484	($83,915)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($10,083,575)	($9,411,504)
Total amortization expense	$12,451,435	$12,005,651
Gains on disposal of capital assets	($19,901)	($1,327)
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$1,625,770	$4,749,049
Prepaids and other current assets	$364,579	($892,775)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$2,155,190	($8,296,153)
Deferred revenue	($1,017,909)	($12,669)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$7,290,073	($1,943,643)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($16,286,470)	($22,316,855)
Equipment	($3,301,524)	($2,031,123)
Vehicles	($118,001)	($88,566)
Net proceeds from disposal of capital assets	$9,050	$6,822
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($19,696,945)	($24,429,722)
C. FINANCING ACTIVITIES		
Capital allocations	$33,045,826	$19,252,110
Issue of long term debt	$0	$0
Repayment of long term debt	($5,537,281)	($5,872,642)
Add back: supported portion	$5,537,281	$5,872,642
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$33,045,826	$19,252,110
Net sources (uses) of cash during year	$20,638,954	($7,121,255)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$13,293,326	$20,414,581
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$33,932,280	$13,293,326

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 4010

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$37,830,379	$29,474,810	$3,039,138	$5,316,431	$3,634,956	$29,935	$928,822	$6,822	$715,896	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$37,830,379	$29,474,810	$3,039,138	$5,316,431	$3,634,956	$29,935	$928,822	$6,822	$715,896	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$1,814,484		$1,814,484											
Board funded capital transactions		$3,023,202	($3,023,202)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($12,451,435)	$12,451,435											
Amortization of capital allocations		$10,083,575	($10,083,575)											
Disposal of unsupported capital assets	$0	$10,851	($19,901)	$9,050		$0		$9,050		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0			$0		$0				$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($62,000)	$62,000	$62,000		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$39,644,863	$30,141,003	$4,116,379	$5,387,481	$3,696,956	$29,935	$928,822	$15,872	$715,896	$0	$0	$0	$0	$0

School Jurisdiction Code: 4010

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$2,818,460	$195,994,848
Prior period adjustment		$0	$2,368,565
Adjusted balance, August 31, 2005		$2,818,460	$198,363,413
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$21,375,219	
	Infrastructure & Transportation-School/Modular Project Capital *	$11,593,890	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$76,717	
Other capital grants and donations			
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$606,658
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$5,537,281
Expended capital allocations - current year		($16,682,794)	$16,682,794
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$10,083,575
Balance at August 31, 2006		$19,181,492	$211,106,571

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital

NOTES TO FINANCIAL STATEMENTS

August 31, 2006

1. AUTHORITY AND PURPOSE

Calgary Roman Catholic Separate School District No. 1 ("the District") was established under the authority of the School Act, Revised Statutes of Alberta, Chapter S-3, to provide education programs to The City of Calgary and surrounding areas.

The District receives instruction and support allocations under Regulation 77/2003 from the Province of Alberta and by way of municipal supplementary requisitions. The regulation allows for the setting of conditions and use of grant monies. The District is limited on certain funding allocations and administration expenses.

The District is considered a non-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the District have been prepared by management in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. Actual results could differ from these estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

Inventory

Inventory of supplies is carried at the lower of cost, determined on a first in, first out basis, and replacement cost.

School generated funds

Funds generated at the schools are included as assets, liabilities, revenue and expenditures of the District when the accountability, control and ownership of these funds rests with the District. Funds are raised through registration and other fees and fundraising activities and are expended for the stated purposes for which they were raised. School generated funds reflected as revenues are net of direct costs incurred to earn such revenues and represent funds available for discretionary purposes at the school level.

Capital assets

Capital assets are recorded at cost and depreciated on a straight-line basis over their estimated useful lives, commencing in the year following acquisition, as follows:

Buildings	10 to 40 years
Furniture, equipment and vehicles	5 to 10 years
Site development	20 years
Leasehold improvements	amortized over term of leases

Capital allocations received for asset additions are amortized into revenue over the same period as the depreciation expense.

Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Donated materials are recognized as revenue when received or receivable. Donated materials are recorded at fair market value when reasonably determinable, when they are used in the normal course of the District's operations and would otherwise have been purchased.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Donated assets are recorded at fair market value when reasonably determinable with an increase to capital assets and an increase to unamortized capital allocations. The unamortized capital allocations are amortized to revenue on the same basis as the capital assets donated.

Capital allocations from the Province for the acquisition of capital assets or the repayment of debt originally incurred for the purpose of acquiring capital assets are recorded as unamortized capital allocations and amortized to revenue on the same basis as the capital assets acquired. Capital allocations received in advance of the investment in capital assets are recorded as deferred capital allocations and transferred to unamortized capital allocations when the capital assets are acquired.

Contributed services

Volunteers assist schools operated by the District in carrying out certain activities. Because of the difficulty in determining the fair value of the services and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the accompanying financial statements.

Financial instruments

The District has financial instruments consisting of cash and cash equivalents, accounts receivable, accounts payable and long-term debt. The carrying values of these instruments approximates fair value.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Province of Alberta. Under the terms of the Teachers Pension Plan Act, the District does not make pension contributions for certificated staff.

The District participates in the multi-employer Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $2,935,373 for the year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported a deficit of $863,558,000 (2004 - $1,288,924,000 deficit).

3. CASH AND CASH EQUIVALENTS

Cash equivalents have maturity dates of 90 days or less. Cash equivalents consist of bankers acceptances, term deposits and bearer deposit notes, bearing interest at 4.25% to 4.31%. Cash and cash equivalents include $19,227,300 restricted for capital purposes.

4. ACCOUNTS RECEIVABLE

	2006 **$**	2005 $
Municipalities-supplementary requisitions	**11,832,900**	11,807,227
Province of Alberta	**9,493,170**	11,426,951
Federal Government	**937,777**	645,999
Other	**2,514,098**	2,523,538
	24,777,945	26,403,715

Other accounts receivable include $1,472,587(2005 - $1,403,433) owing from the schools relating to funding provided by the District by way of loans to fund the purchase of textbooks for rental to students.

NOTES TO FINANCIAL STATEMENTS

August 31, 2006

5. TRUST ASSETS AND LIABILITIES

These balances represent cash and cash equivalents that are held in trust by the District for the Student Health Initiative (Banker Board).

6. CAPITAL ASSETS

	2006		
	Cost $	**Accumulated Depreciation $**	**Net Book Value $**
Buildings	**348,106,506**	**139,960,137**	**208,146,369**
Furniture, equipment and vehicles	**33,136,347**	**21,028,502**	**12,107,845**
Site development	**23,346,012**	**8,262,171**	**15,083,841**
Capital asset construction in progress	**16,132,211**	**—**	**16,132,211**
Land	**4,002,888**	**—**	**4,002,888**
Leasehold improvements	**1,319,784**	**712,570**	**607,214**
	426,043,748	**169,963,380**	**256,080,368**

	2005		
	Cost $	**Accumulated Depreciation $**	**Net Book Value $**
		Restated – see note 17	
Buildings	326,640,055	130,932,442	195,707,613
Furniture, equipment and vehicles	30,528,949	18,748,799	11,780,150
Site development	21,733,707	7,338,948	14,394,759
Capital asset construction in progress	22,300,326	—	22,300,326
Land	4,002,888	—	4,002,888
Leasehold improvements	712,570	690,007	22,563
	405,918,495	157,710,196	248,208,299

The District is committed to further capital expenditures of approximately $33,900,000. It is anticipated that $33,500,000 of these costs will be funded by capital grants from the Province of Alberta.

Playground equipment and related site development in the amount of $606,700 was donated to the District in 2006 (2005 - $370,300).

Calgary Roman Catholic Separate School District No. 1

NOTES TO FINANCIAL STATEMENTS

August 31, 2006

7. CREDIT FACILITY

The District has a $3,500,000 revolving credit facility with interest at prime less 0.25% comprised of a $3,000,000 demand credit facility, and a $500,000 purchasing card facility. A temporary increase to the facility was granted to $24,500,000 for the period June 15, 2006 to September 15, 2006 after which time, the facility reverted to a limit of $3,500,000. A borrowing bylaw to a maximum of the District's accounts receivable as shown in the most recent audited financial statements, covering all revenue of the District, has been provided as collateral for this facility. None of the demand facility was outstanding at year end, and $96,570 was outstanding on the purchasing card facility.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006 **$**	**2005** **$**
Province of Alberta	**13,000,071**	14,736,409
Federal Government	**366,117**	22,996
Alberta Municipalities	**233,961**	55,874
Other trade payables and accrued liabilities	**16,983,876**	13,613,556
	30,584,025	28,428,835

9. DEFERRED REVENUE

	2006 **$**	**2005** **$**
Infrastructure Maintenance and Renewal	**—**	**695,040**
Lease revenue	**291,049**	**307,840**
Alberta Initiative for School Improvement	**7,909**	**228,646**
Tuition revenue	**162,182**	**147,032**
Plant Operations & Maintenance	**—**	**144,752**
Class Size Initiative	**—**	**93,504**
Portable Relocation	**225,604**	**85,819**
Program Fee revenue	**86,525**	**84,375**
Program Unit Funding	**—**	**80,842**
Calgary Regional Consortium	**28,983**	**—**
Student Health Initiative	**26,913**	**—**
Technology Leadership	**14,370**	**—**
Other	**39,130**	**32,724**
	882,665	**1,900,574**

10. LONG-TERM DEBT

Long-term debt is comprised of debentures issued to the Alberta Capital Finance Authority at interest rates ranging from 7.25% to 12% per annum which mature at various dates to 2020. All debenture principal and interest payments are fully supported (funded) by the Province of Alberta.

	2006 **$**	**2005** **$**
Debentures	**14,832,794**	**20,370,075**
Less current portion	**(5,211,654)**	**(5,537,281)**
	9,621,140	**14,832,794**

Principal repayments required over each of the next five years and thereafter are as follows:

	$
2007	5,211,654
2008	4,264,516
2009	2,097,143
2010	1,361,917
2011	296,388
Thereafter	1,601,176
	14,832,794

11. RESERVES

Reserves are established at the discretion of the Board of Trustees of the District or externally and represent restricted net assets held for future operating and capital expenditures. These internally restricted net assets are not available for use without approval of the Board of Trustees.

	2006			
	Balance, beginning of year $	**Appropriated $**	**Utilized $**	**Balance, end of year $**
Operating				
Instructional	3,634,956	62,000	—	3,696,956
Plant operation and maintenance	928,822	—	—	928,822
Administration	715,896	—	—	715,896
	5,279,674	62,000	—	5,341,674
Capital	36,757	9,050	—	45,807
	5,316,431	71,050	—	5,387,481

	2005			
	Balance, beginning of year $	**Appropriated $**	**Utilized $**	**Balance, end of year $**
Operating				
Instructional	2,757,656	877,300	—	3,634,956
Plant operation and maintenance	928,822	—	—	928,822
Administration	715,896	—	—	715,896
	4,402,374	877,300	—	5,279,674
Capital	29,935	6,822	—	36,757
	4,432,309	884,122	—	5,316,431

12. SCHOOL GENERATED FUNDS

School generated funds included in the statement of revenue and expenditures are net of the costs of generating such funds and represent school generated funds available for discretionary spending purposes. Total revenues generated from these school activities amounted to $14,111,000 (2005 - $12,906,000).

13. STATEMENT OF CASH FLOWS

Net change in non-cash working capital

	2006 $	2005 $
Operating activities		
Accounts receivable	**2,279,227**	3,563,339
Inventory	**26,339**	6,503
Prepaid expenses	**325,782**	(899,278)
Accounts payable and accrued liabilities	**2,533,913**	(5,588,785)
Deferred revenue	**(1,017,909)**	(12,669)
Cash provided by (used in) operating activities	**4,147,352**	(2,930,890)
Investing activities		
Accounts receivable	**42,478**	51,410
Prepaid expenses	**12,458**	—
Accounts payable and accrued liabilities	**(84,332)**	(2,398,538)
Cash provided by (used in) investing activities	**(29,396)**	(2,347,128)
Financing activities		
Accounts receivable	**(695,935)**	1,134,300
Accounts payable and accrued liabilities	**(294,391)**	(308,830)
Cash provided by (used in) financing activities	**(990,326)**	825,470

14. SALARIES AND BENEFITS

	2006				2005
	Number	Salaries, Wages, and Accrued Vacation $	Benefits and Allowances $	Total $	Total $
Chair of Board	1	15,220	11,257	26,477	25,065
Other Board Members	6	77,786	55,597	133,383	138,288
Superintendent	1	177,542	41,659	219,201	221,127
Secretary-Treasurer	1	153,112	32,150	185,262	164,765
Salaries - Certificated	2,746	183,256,092	22,687,528	205,943,620	198,238,581
Salaries - Uncertificated	1,563	41,073,133	9,688,658	50,761,791	48,860,268
	4,318	224,752,885	32,516,849	257,269,734	247,648,094

15. ASSET RETIREMENT OBLIGATIONS

Asset Retirement Obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. The District has a legal obligation to remove hazardous material located on the site of non school buildings upon their disposal. A liability, however, has not been recognized because the fair value cannot be reasonable estimated.

16. RELATED PARTY TRANSACTIONS

Effective September 1, 2005, school jurisdictions are controlled by the Province of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Province of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The District had the following related party transactions recorded on the Statement of Revenues and Expenditures and Statement of Financial Position as follows:

	Balances		**Transactions**	
	Assets **$**	**Liabilities** **$**	**Revenues** **$**	**Expenditures** **$**
Province of Alberta				
Education	8,760,989	29,414,000	312,702,016	864,566
Infrastructure and Transportation	—	724,267	1,259,748	—
Finance	829,425	829,425	1,585,259	1,586,834
Human Resources/Employment	28,600	—	36,100	—
Other				
Health Authorities	—	170,857	—	553,139
Post-secondary Institutions	—	—	—	20,687
Alberta School Jurisdictions	21	457,601	—	1,014,762
Total	9,619,035	31,596,150	315,583,123	4,039,988

The Province of Alberta has funded capital assets with a net book value of $223,114,021. During the year, capital allocations of $38,583,107 were received from the Province of Alberta.

The District's primary source of revenue is from the Province of Alberta. The District's ability to continue its operations is dependent on this funding.

17. COMPARATIVE FIGURES

Playground equipment and related site development which was donated to the District in prior years was not previously recorded. The 2005 comparative figures have been restated to reflect the donated assets. This adjustment resulted in an increase in depreciation on capital assets of $131,363 in 2005 and the same increase in amortization of capital allocations included in revenue resulting in no change to the excess of revenues over expenditures on operations for the year. In 2005, capital assets were increased by $2,997,587, accumulated depreciation was increased by $629,022, and unamortized capital allocations was increased by $2,368,565, resulting in no change to the net assets of the District.

Certain 2005 figures have been reclassified to conform to 2006 presentation.

18. UNAUDITED INFORMATION

The budget information was prepared by the District's administration and was approved by the Board of Trustees. Budget amounts are presented for information purposes only and have not been audited.

The Statement of Capital Allocations and the supplementary Schedules A through G attached to these financial statements are presented by the District's administration as information for additional analysis purposes only. While such information has been derived from the District's accounting records, the Auditors' Report does not extend to this information.

SCHEDULE A to the AFS

School Jurisdiction Cod 4010

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$312,727,241	$254,130,829	$35,425,526	$10,387,299	$12,258,642	$524,945
(2) **Alberta Infrastructure & Transportation**	$1,491,988	$0	$1,491,988			
(3) **Alberta Finance**	$1,585,259		$1,585,259			$0
(4) **Other - Government of Alberta**	$171,730	$171,730	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$293,543	$272,015	$9,786	$0	$11,742	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$577,023	$577,023				
(10) **Transportation fees**	$868,310			$868,310		
(11) **Other sales and services**	$3,438,416	$520,411	$69,836	$2,848,169	$0	$0
(12) **Investment income**	$980,159	$623,043	$317,910	$0	$39,206	$0
(13) **Gifts and donations**	$122,481	$122,481	$0	$0		$0
(14) **Rentals of facilities**	$1,767,792	$247,147	$600,000	$0	$70,712	$849,933
(15) **Net school generated funds**	$3,557,664	$3,557,664			$0	
(16) **Gains on disposal of capital assets**	$19,901	$19,901	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$10,083,575		$10,083,575	$0		$0
(18) **TOTAL REVENUES**	$337,685,082	$260,242,244	$49,583,880	$14,103,778	$12,380,302	$1,374,878
EXPENSES						
(19) **Certificated salaries**	$183,433,635	$182,109,294			$1,324,341	$0
(20) **Certificated benefits**	$22,729,187	$22,475,708			$253,479	$0
(21) **Uncertificated salaries and wages**	$41,319,253	$23,562,194	$11,936,543	$194,573	$5,282,205	$343,738
(22) **Uncertificated benefits**	$9,787,662	$5,793,734	$2,781,269	$39,311	$1,146,930	$26,418
(23) **SUB - TOTAL**	$257,269,737	$233,940,930	$14,717,812	$233,884	$8,006,955	$370,156
(24) **Services, contracts & supplies**	$60,967,530	$19,990,371	$22,441,334	$14,094,972	$3,658,202	$782,651
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$3,557,664	$3,557,664				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$10,083,575	$0	$10,083,575	$0	$0	$0
(28) Unsupported	$2,367,860	$721,744	$755,900	$1,346	$666,799	$222,071
(29) Total Amortization	$12,451,435	$721,744	$10,839,475	$1,346	$666,799	$222,071
Interest on capital debt						
(30) Supported	$1,585,259	$0	$1,585,259	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$38,973	$0	$0	$0	$38,973	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$335,870,598	$258,210,709	$49,583,880	$14,330,202	$12,370,929	$1,374,878
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$1,814,484	$2,031,535	$0	($226,424)	$9,373	$0

School Jurisdiction Code: 4010

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$7,124,472
Base Instruction (Gr 1-12)	$210,576,489
Outreach Programs	$52,020
Home Education	$95,131
Differential Cost Funding *	$69,965,667
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$422,207
Provincial Priority Targeted Funding	
Class Size Initiative	$11,487,421
Student Health Initiative (SHI)	$1,232,088
Alberta Initiative for School Improvement (AISI)	$5,541,800
High Speed Networking	$613,767
Children and Youth with Complex Needs	$50,017
Infrastructure Maintenance Renewal (IMR)	$5,566,162
Other Alberta Education Revenues (describe):	$0
Total Alberta Education Revenues	$312,727,241

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Govemment and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 4010

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$22,112,504	$9,699,494	$2,659,808		$0	$77,989	$34,549,795
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$11,214,208	$6,536,806	$2,811,068		$0		$20,562,082
ECS Program Unit (PUF)	$55,592	$456,264	$431,796		$0		$943,652
Severe Disabilities (Gr 1-12)	$4,806,090	$2,801,488	$1,204,743		$0		$8,812,321
English as a Second Language	$3,070,862	$817,404	$364,434		$0		$4,252,700
French Language Program & Francisation (all jurisdictions)	$9,788,203	$485,531	$201,170		$0		$10,474,904
First Nations, Metis and Inuit Education (ECS - Gr 12)	$253,692	$114,530	$21,232		$0		$389,454
Home Education	$37,971	$0	$84,111		$0		$122,082
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$4,781,967	$552,854	$87,965	$119,014	$0		$5,541,800
Student Health Initiative	$201,355	$34,585	$471,203		$0		$707,143
High Speed Networking			$703,046		$0		$703,046
Class Size	$11,487,421	$0	$0	$0	$0		$11,487,421
Children and Youth with Complex Needs (ECS - Gr 12)	$27,200	$13,435	$9,382		$0		$50,017
All Other Student Instruction Expenses (ECS - Gr 12)	$136,747,937	$7,843,537	$6,766,395	$4,055,004	$0	$4,201,419	$159,614,292
TOTAL EXPENSES	$204,585,002	$29,355,928	$15,816,353	$4,174,018	$0	$4,279,408	$258,210,709

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	126.4	234.4
ECS Program Unit (PUF)	0.5	16.8
Severe Disabilities (Gr 1-12)	54.1	100.5

Note:

[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 4010

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	$335,870,598

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$13,434,824
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		$13,434,824
Less: 2005/2006 Board and System Administration expenses		-$12,370,929
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$1,063,895

School Jurisdiction Code: 4010

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$2,296,635
Source of Net School Generated Funds:				
Fundraising activities	$3,100,561	$1,914,305	$1,186,256	
Student fees (Non-Instructional) (Note 2)	$5,314,064	$5,357,077	($43,013)	
Donations and grants to schools	$2,460,075	$242,379	$2,217,696	
Other (describe):	$3,236,564	$3,308,361	($71,797)	
Net Additions to SGF	$14,111,264	$10,822,122		$3,289,142
Net SGF Available for Spending				$5,585,777
Application of Net School Generated Funds:				
Extra-curricular activities			$204,707	
School site beautification			$12,641	
Field Trips			$67,431	
Equipment			$872,892	
Family literacy and other community resources			$0	
Other (describe):			$2,399,993	
Net SGF Expended (Note 3)				$3,557,664
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$2,028,113

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 4010

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$9,988,607	$1,486,184	$0	$0	$461,752	$11,936,543		$11,936,543
Uncertificated benefits	$2,416,044	$272,013	$0	$0	$93,212	$2,781,269		$2,781,269
Sub-total Remuneration	$12,404,651	$1,758,197	$0	$0	$554,964	$14,717,812		$14,717,812
Contracted Services	$277,241	$7,068,794	$0	$6,864,933	$101,167	$14,312,135		$14,312,135
Supplies	$621,659	$693,328	$0	$0	$55,567	$1,370,554		$1,370,554
Electricity			$3,281,786			$3,281,786		$3,281,786
Natural Gas/Heating Fuel			$2,557,585			$2,557,585		$2,557,585
Sewer and Water			$487,537			$487,537		$487,537
Telecommunications			$176,634			$176,634		$176,634
Insurance					$255,103	$255,103		$255,103
Amortization of capital assets								
Supported							$10,083,575	$10,083,575
Unsupported						$755,900		$755,900
Total Amortization						$755,900	$10,083,575	$10,839,475
Interest on capital debt								
Supported							$1,585,259	$1,585,259
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$13,303,551	$9,520,319	$6,503,542	$6,864,933	$966,801	$37,915,046	$11,668,834	$49,583,880
SQUARE METRES								
School Buildings								468,487.8
Non School Buildings								26,700.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4010

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mrs. Catharine Williams	1.0	$15,220	$3,978	$7,279			$26,477	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Mrs. Margaret Belcourt	1.0	$14,367	$5,058	$6,870			$26,295	$3,965
Name	Mrs. Lois Burke-Gaffney	1.0	$13,447	$1,625	$6,435			$21,507	$4,384
Name	Mrs. Maureen Emond	1.0	$12,418	$732	$5,940			$19,090	$437
Name	Mr. Michael O'Malley	1.0	$9,637	$2,093	$4,604			$16,334	$1,448
Name	Mr. Serafino Scarpino	1.0	$14,108	$5,019	$6,748			$25,875	$2,168
Name	Mrs. Linda Wellman	1.0	$13,809	$3,869	$6,604			$24,282	$2,311
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$93,006*	*$22,374*	*$44,480*			*$159,860*	*$14,713*
Superintendent	Dr. Jeremy Simms	1.0	$177,542	$33,130	$8,529	$0	$0	$219,201	$5,901
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Ms Deborah Achen	1.0	$153,112	$30,779	$1,371	$0	$0	$185,262	$7,814
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		2,746.3	$183,256,092	$22,674,060	$13,468	$0	$0	$205,943,620	
Uncertificated Salaries & Wages		1,562.5	$41,073,133	$9,688,658	$0	$0	$0	$50,761,791	
TOTALS			**$224,752,885**	**$32,449,001**	**$67,848**	**$0**	**$0**	**$257,269,734**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 3030

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CALGARY BOARD OF EDUCATION
Legal Name of School Jurisdiction

515 MACLEOD TRAIL S. E. CALGARY, AB T2G 2L9
Mailing Address

Telephone: (403) 294-8211 and Fax: (403) 294-8254
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CALGARY BOARD OF EDUCATION
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

PATRICIA COCHRANE	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

DR. BRENDAN J. CROSKERY	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

DONALD M. DART	"ORIGINAL SIGNED"
Name	Signature

28-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3030

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KPMG

KPMG LLP
Chartered Accountants
2700 205 - 5th Avenue SW
Calgary AB T2P 4B9

Telephone (403) 691-8000
Fax (403) 691-8008
Internet www.kpmg.ca

AUDITORS' REPORT TO THE BOARD OF TRUSTEES

We have audited the statement of financial position of the Calgary Board of Education (the "Corporation") as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements, which are presented in the format prescribed by Alberta Education, are the responsibility of the Calgary Board of Education's Administration. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 2006 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles and the presentation requirements of Alberta Education.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

KPMG LLP

Chartered Accountants

Calgary, Canada
November 7, 2006

KPMG LLP, a Canadian limited liability partnership is the Canadian
member firm of KPMG International, a Swiss cooperative.

School Jurisdiction Code: 3030

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$69,540,823	$56,302,885
Accounts receivable (net after allowances)		$18,376,500	$29,779,704
Prepaid expenses		$1,933,668	$2,194,746
Other current assets		$36,665,808	$33,184,578
Total current assets		$126,516,799	$121,461,913
School generated assets		$13,662,864	$11,530,559
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$24,680,696	$24,002,181
Capital assets			
Land		$2,962,279	$2,962,279
Buildings	$654,112,083		
Less: accumulated amortization	($281,375,771)	$372,736,312	$337,626,838
Equipment	$107,877,371		
Less: accumulated amortization	($67,865,669)	$40,011,702	$35,145,445
Vehicles	$5,637,408		
Less: accumulated amortization	($3,747,705)	$1,889,703	$1,852,724
Total capital assets		$417,599,996	$377,587,286
TOTAL ASSETS		$582,460,355	$534,581,939
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$63,161,392	$58,402,406
Deferred revenue		$16,159,061	$22,954,192
Deferred capital allocations		$7,633,628	$5,401,765
Current portion of all long term debt		$8,886,402	$8,978,662
Total current liabilities		$95,840,483	$95,737,025
School generated liabilities		$13,662,864	$11,530,559
Trust liabilities		$0	$0
Employee future benefits liability		$26,434,143	$23,984,012
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$50,008,916	$58,765,438
	Less: Current portion of supported debt	($8,611,998)	($8,756,522)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$2,475,943	$2,475,943
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($274,404)	($222,140)
Other long term liabilities		$0	$0
Unamortized capital allocations		$308,164,789	$273,556,372
Total long term liabilities		$391,860,253	$361,333,662
TOTAL LIABILITIES		$487,700,736	$457,070,687
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$18,217,244	$12,045,240
Accumulated Operating Surplus (Deficit)		$18,217,244	$12,045,240
Investment in capital assets		$56,950,348	$42,846,468
Capital Reserves		$19,592,027	$22,619,544
Total Capital Funds		$76,542,375	$65,466,012
Total net assets		$94,759,619	$77,511,252
TOTAL LIABILITIES AND NET ASSETS		$582,460,355	$534,581,939

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 3030

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006 Restated	Actual 2005
REVENUES			
Government of Alberta	$739,874,488	$737,680,645	$698,800,954
Federal Government and/or First Nations	$2,642,842	$2,224,376	$2,231,379
Other Alberta school authorities	$1,097,656	$1,068,789	$1,046,166
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$1,118,105	$1,262,789	$1,036,225
Instruction resource fees	$7,189,000	$7,792,568	$7,168,006
Transportation fees	$5,177,656	$5,433,525	$4,557,042
Other sales and services	$20,373,715	$17,939,809	$18,256,323
Investment income	$4,864,262	$2,815,200	$3,161,790
Gifts and donations	$884,723	$786,446	$838,868
Rentals of facilities	$6,275,409	$6,230,200	$6,602,099
Net school generated funds	$6,933,497	$6,723,453	$9,104,084
Gains on disposal of capital assets	$52,819	$52,819	$39,535
Amortization of capital allocations	$14,418,487	$14,354,470	$14,186,836
Total Revenues	$810,902,659	$804,365,089	$767,029,307
EXPENSES			
Certificated salaries	$417,206,169	$415,418,279	$395,747,645
Certificated benefits	$50,233,967	$49,209,998	$49,337,970
Uncertificated salaries and wages	$124,958,579	$130,457,176	$120,810,913
Uncertificated benefits	$29,192,434	$30,612,477	$26,468,066
Services, contracts and supplies	$137,280,031	$140,766,507	$120,222,950
Net school generated funds	$6,933,497	$6,723,453	$9,104,084
Capital and debt services			
Amortization of capital assets			
Supported	$14,418,487	$15,312,004	$14,186,836
Unsupported	$7,759,078	$6,849,327	$7,030,746
Total Amortization of capital assets	$22,177,565	$22,161,331	$21,217,582
Interest on capital debt			
Supported	$5,521,522	$5,521,522	$6,445,137
Unsupported	$67,965	$0	$0
Total Interest on capital debt	$5,589,487	$5,521,522	$6,445,137
Other interest charges	$82,563	$173,395	$143,921
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$793,654,292	$801,044,138	$749,498,268
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$17,248,367	$3,320,951	$17,531,039
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$17,248,367	$3,320,951	$17,531,039

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 3030

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$17,248,367	$17,531,039
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($14,418,487)	($14,186,836)
Total amortization expense	$22,177,565	$21,217,582
Gains on disposal of capital assets	($52,819)	($39,535)
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$11,403,204	($8,334,154)
Prepaids and other current assets	($3,220,152)	($10,336,500)
Long term accounts receivable	$0	$0
Long term investments	($678,515)	($10,753,468)
Payables and accrued liabilities	$4,758,986	($3,900,454)
Deferred revenue	($6,795,131)	$9,830,453
Employee future benefit expense (recovery)	$2,450,131	$2,709,917
Other (describe) Working capital changes in investing and financing	$1,451,679	$12,766,258
Total sources (uses) of cash from Operations	$34,324,828	$16,504,302
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($49,358,850)	($26,941,336)
Equipment	($12,789,017)	($11,272,362)
Vehicles	($417,879)	($571,401)
Net proceeds from disposal of capital assets	$54,808	$39,535
Other (describe) Changes in long investments and working capital c	$2,741,626	($12,673,060)
Total sources (uses) of cash from Investing activities	($59,769,312)	($51,418,624)
C. FINANCING ACTIVITIES		
Capital allocations	$42,875,729	$27,499,944
Issue of long term debt	$0	$0
Repayment of long term debt	($8,756,522)	($9,095,530)
Add back: supported portion	$8,756,522	$8,871,472
Other (describe) Change in working capital components	($4,193,307)	($93,196)
Total sources (uses) of cash from Financing activities	$38,682,422	$27,182,690
Net sources (uses) of cash during year	$13,237,938	($7,731,632)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$56,302,885	$64,034,517
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$69,540,823	$56,302,885

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006
(in dollars)

School Jurisdiction 3030

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols. 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$77,511,252	$42,846,468	$0	$34,664,784	$2,429,039	$0	$2,416,107	$22,619,544	$3,160,336	$0	$2,254,663	$0	$1,785,095	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$77,511,252	$42,846,468	$0	$34,664,784	$2,429,039	$0	$2,416,107	$22,619,544	$3,160,336	$0	$2,254,663	$0	$1,785,095	$0
Excess(def) of revenue over expenses	$17,248,367		$17,248,367											
Board funded capital transactions		$21,862,958	($4,468,067)	($17,394,891)	$0	$0	$0	($17,394,891)	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($22,177,565)	$22,177,565											
Amortization of capital allocations		$14,418,487	($14,418,487)											
Disposal of unsupported capital assets	$0	$0	($52,819)	$52,819		$0		$52,819		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($9,078,109)	$9,078,109	$3,737,772		$3,014,962		$2,197,000		$50,730		$77,645	
Net transfers from operating reserves			$2,906,105	($2,906,105)	($565,712)		$0		($35,000)		($2,305,393)		$0	
Net transfers to capital reserves			($14,314,555)	$14,314,555		$0		$14,314,555		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$94,759,619	$56,950,348	$0	$37,809,271	$5,601,099	$0	$5,431,069	$19,592,027	$5,322,336	$0	$0	$0	$1,862,740	$0

School Jurisdiction Code: 3030

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$5,401,765	$273,556,372
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$5,401,765	$273,556,372
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$13,820,367	
Infrastructure & Transportation-School/Modular Project Capital *	$28,676,286	
Other Government of Alberta	$0	
Federal Government and/or First Nations	($20,580)	
Other sources	$95	
Interest earned on provincial government capital allocations	$346,468	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$53,093	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$8,756,522
Expended capital allocations - current year	($40,643,866)	$40,643,866
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$373,484
Capital allocations amortized to revenue		$14,418,487
Balance at August 31, 2006	$7,633,628	$308,164,789

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2006

1. ORGANIZATION

The Calgary Board of Education (the "Corporation") is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta). The Corporation is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts for income tax purposes to donors.

The Corporation provides a full range of educational services for all instructional programs ranging from Kindergarten through Grade 12. In addition, the Corporation demonstrates its commitment to life-long learning by offering continuing education programs for adults.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements of the Corporation have been prepared in accordance with Canadian generally accepted accounting principles. A precise determination of many assets and liabilities is dependent upon future events and involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from these estimates or approximations. In administration's opinion, these financial statements have been prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

The financial operations of EducationMatters (formerly The Calgary Board of Education Foundation) (see Note 14 (b)) are not consolidated in these financial statements.

Budget information (unaudited) presented on the Statement of Revenue and Expense and on the related schedules is for information purposes only and represents the original budget submitted to Alberta Education, as amended during the fiscal year to reflect identified changes in circumstances relating to operating and program changes. The Board of Trustees approves the original budget.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and short-term investments with original maturity of 90 days or less. Investments in cash equivalents are made in compliance with the *School Act*, *Trustee Act* or other authorization from Alberta Education.

(c) Investments

Investments are made in compliance with the *School Act*, *Trustee Act* or other authorization from Alberta Education. As well, in accordance with the Corporation's administrative regulations, investments are made only in companies that are socially responsible and ethically managed, as recommended by the appointed external investment counsel in consultation with appointed officers of the Corporation.

Short-term investments are investments held with a maximum of a one-year view to ensure the timely settlement of the Corporation's financial obligations. Investments may consist of treasury bills and money market investments.

Long-term investments are investments held for a period of approximately three to five years, unless significant unforeseen factors occur. Long-term investments may include corporate and government bonds and equities, and are recorded at cost.

Investments are recorded as of the date of acquisition and are stated at cost plus accrued interest. Gains on sales of investments are recognized in the year of disposal. Losses are recognized in the year of disposal or, for long-term investments, when there is an other-than-temporary impairment in the value of an investment. Interest and dividends are included in income on the accrual basis.

(d) Inventories

Inventories consist of maintenance and school supplies and are valued at the lower of average cost and replacement cost, or net realizable value. The inventory is recorded as an expense when items are shipped to schools or departments.

(e) Capital Assets and Capital Revenue

Capital assets are recorded at cost. Amortization is provided on a straight-line basis at rates which are intended to amortize the cost of the capital assets over their estimated useful lives. The amortization rates applied are as follows:

Land improvements	25 years
Buildings	40 years
Furniture and equipment	5-10 years

No amortization is provided on construction in progress, as these assets are not ready and available for use. Upon completion and placement into use, these assets are amortized in accordance with the Corporation's accounting policy.

Certain capital assets, including new school construction and major renovations (except administrative buildings and replacement of equipment and vehicles), are funded by Alberta Education and Alberta Infrastructure and Transportation when approved, based on three-year capital plans. When received, capital grants for these assets are deferred and reflected in revenue over the lives of the related assets.

(f) Asset Retirement Obligation

The Corporation recognizes the fair value of a future asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that results from the acquisition, construction, development, and/or normal use of the assets. The Corporation concurrently recognizes a corresponding increase in the carrying amount of the related long-lived asset that is amortized over the life of the asset. The fair value of the asset retirement obligation is estimated using the expected cash flow approach that reflects a range of possible outcomes discounted at a credit-adjusted risk-free interest rate. Subsequent to the initial measurement, the asset retirement obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. Changes in the obligation due to the passage of time are recognized in income as an operating expense using the interest method. Changes in the obligation due to changes in estimated cash flows are recognized as an adjustment of the carrying amount of the related long-lived asset that is amortized over the remaining life of the asset.

(g) Revenue Recognition

Revenues are recognized when they are earned. Grants received, restricted donations and fees collected, in advance of the provision or use of related services, are deferred.

Unrestricted cash donations are recognized as revenue when they are received. Donations of materials and services, that would otherwise have been purchased, are recorded at fair market value when an estimated fair market value can be reasonably determined.

Funds donated by individuals or organizations for the purpose of establishing scholarships and bursaries, are accounted for as deferred revenues. Interest is calculated on each scholarship fund balance and is accrued for the benefit of the recipients of the fund. Payments from individual scholarships are made to the recipients of the scholarships and bursaries in accordance with the various scholarship agreements, and a corresponding amount is transferred to revenue at that time.

The annual amortization of capital assets funded by Alberta Education and Alberta Infrastructure and Transportation is expensed and is offset by a corresponding amount of revenue arising from the recognition in that year of related capital grants.

Each year, volunteers contribute a considerable number of hours which support the delivery of certain programs within schools. Due to the difficulty of determining or otherwise estimating these hours, and the fact that these services are not otherwise purchased, the value of theses contributed services is not quantified and recognized in these financial statements.

(h) Proceeds on Disposal of Capital Assets

The proceeds on disposal of capital assets are applied to fund future capital assets. Pursuant to Provincial regulations, the allocation of proceeds for each asset disposal is based upon the relative contribution from the Province of Alberta and the Corporation to fund the original purchase of the disposed asset. Proceeds relating to provincially funded assets, are recorded as unexpended capital grants until a provincially approved capital expenditure is made. Proceeds relating to Corporation funded assets, are reflected as income and a corresponding amount is transferred to capital reserves until a Board of Trustee approved capital expenditure is made.

(i) School Generated Funds

These financial statements include funds arising from certain school and student activities which are controlled and administered locally by each school but for which the Corporation is accountable. When schools undertake fundraising and extra-curricular activities, the related costs are netted against the amount of related school generated funds revenue.

(j) Pensions

The Corporation's certificated employees are required to contribute to the Alberta Teachers' Retirement Fund, a multi-employer pension plan. This defined benefit pension plan is the responsibility of the Province of Alberta and these employees. Accordingly, no disclosure has been made in these financial statements relating to the effects of participation in the pension plan by the Corporation's employees.

The Corporation and its uncertificated employees participate in the Local Authorities Pension Plan, a multi-employer pension plan. Pension costs included in these financial statements comprise the cost of employer contributions for current service of participating employees during the year.

The Corporation has established a Supplemental Integrated Pension Plan (SiPP) for certain members of senior administration comprised of both a registered and non-registered portion. The plan provides a supplement to the Local Authorities Pension Plan or Alberta Teachers' Retirement Fund (as appropriate) to provide an annual retirement benefit of 2% of total earnings. The cost of this SiPP is sponsored by the Corporation and actuarially determined using the projected benefit method prorated on service and managements' best estimate of expected salary and benefit escalation, retirement ages of employees and plan investment performance. As at August 31, 2006 plan assets held in trust are invested in a mix of cash, bonds, Canadian and international equities. Plan assets are valued at cost, which approximates market value and the plan is fully funded by separately designated plan assets. Changes to the actuarially determined obligation are recognized and expensed as of the applicable date to ensure the plan is fully funded. The most recent actuarial valuation of the obligation was performed as at August 31, 2006.

(k) Employee Future Benefit Plans

The Corporation has a number of defined benefit plans providing post-employment and post-retirement benefits for supplementary health care, dental care, life insurance and retiring allowances. These plans are not funded by separately designated plan assets.

For employee future benefit plans other than pension plans, the Corporation accrues its obligations, and expenses the related costs, in accordance with the terms of various collective agreements and other contracts of employment. The cost of employee future benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of salary escalation, retirement ages of employees, and expected provincial and supplementary health care costs and dental care costs. The actuarially determined benefit obligation from the initial application of this policy is being amortized over the average remaining service period of employees active at September 1, 2000, the beginning of the fiscal year in which this policy was implemented. The balance of any unrecognized net plan experience, including changes in actuarial basis, in excess of 10% of the greater of the actuarial benefit obligation and the market value of plan assets is amortized over the average remaining service lifetime of the active members as of the applicable date. When changes to employee future benefit plans are negotiated, the related financial impacts are recognized when an agreement has been reached by the Corporation and the applicable group of employees.

The Corporation measures its accrued benefit obligations under these plans for accounting purposes as at August 31 of each year. The most recent actuarial valuation of post-retirement and post-employment benefit plans was as of August 31, 2006. The next required valuation will be as of August 31, 2009.

(l) Financial Instruments

The Corporation's financial instruments consist of cash and cash equivalents, cash held by schools, short-term investments, accounts receivable, long-term investments, outstanding cheques, bank indebtedness, accounts payable and accrued liabilities, and long-term debt. It is administration's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted in Notes 3 and 10, as determined by market comparisons, the fair values of these financial instruments approximate their carrying values.

3. CASH AND CASH EQUIVALENTS, INVESTMENTS AND BANK INDEBTEDNESS

	2006				
		Investments at Cost			
	Cash and cash equivalents	Short-Term	Long-Term	Total	Market Value
Cash and Fixed Income Investments					
Bank balances	$ 1,628,857	$ -	$ -	$ 1,628,857	$ 1,628,857
Outstanding cheques	(2,273,257)	-	-	(2,273,257)	(2,273,257)
Money market investments	70,185,221	35,798,188	4,549,161	110,532,570	111,008,730
Canadian bonds	-	-	9,917,244	9,917,244	9,766,391
Foreign bonds	-	-	-	-	-
Supplemental Integrated Pension Plan Assets (see note 9(b))	-	227,593	-	227,593	
Restricted long-term investment (1)	-	-	2,475,943	2,475,943	2,475,943
Equity Investments					
Canadian equities	-	-	4,126,693	4,126,693	5,524,266
U.S. equity pooled funds	-	-	1,628,132	1,628,132	1,611,626
International equity pooled funds	-	-	1,983,522	1,983,522	2,206,476
Total at Cost	$ 69,540,822	$ 36,025,781	$ 24,680,695	$130,247,298	
Total at Market Value	$ 69,748,166	$ 36,273,156	$ 26,155,303		$132,176,625

(1) Restricted long-term investment relates to cash collateral requirements as a result of capital leases entered into during the year ended August 31, 2004 (see Note 10).

	2005				
		Investments at Cost			
	Cash and cash equivalents	Short-Term	Long-Term	Total	Market Value
Cash and Fixed Income Investments					
Bank balances (1)	$ 3,038,024	$ -	$ -	$ 3,038,024	$ 3,038,024
Outstanding cheques	(4,037,133)	-	-	(4,037,133)	(4,037,133)
Money market investments	57,301,995	30,856,778	2,128,930	90,287,703	90,507,659
Canadian bonds	-	-	9,917,244	9,917,244	10,100,736
Foreign bonds	-	1,500,000	-	1,500,000	1,499,550
Supplemental Integrated Pension Plan Assets (see note 9(b))	-	246,870	-	246,870	250,469
Restricted long-term investment (2)	-	-	2,700,000	2,700,000	2,700,000
Equity Investments					
Canadian equities	-	-	5,085,994	5,085,994	6,014,490
U.S. equity pooled funds	-	-	1,931,051	1,931,051	1,910,319
International equity pooled funds	-	-	2,238,962	2,238,962	2,199,096
Total at Cost	$ 56,302,886	$ 32,603,648	$ 24,002,181	$112,908,715	
Total at Market Value	$ 56,379,251	$ 32,746,654	$ 25,057,305		$114,183,210

(1) Bank balances includes $257,134 restricted for capital use

(2) Restricted long-term investment relates to cash collateral requirements as a result of capital leases entered into during the year ended August 31, 2004 (see Note 10).

General Operating and Other Bank Indebtedness

The Corporation maintains lines of credit that have been negotiated with its bankers for general operating purposes. As at August 31, 2006, no amount has been drawn against the Corporation's general operating line of credit.

Yields on current and long-term investments reflect the cash value of all dividends, interest or other payments received or receivable on active investment instruments. These yields do not include any realized or unrealized capital gains of the underlying market values of the instruments. At August 31, 2006 the yields on these investments were as follows:

	2006		2005	
	Effective or Market Yield	Cost	Effective or Market Yield	Cost
Cash Equivalents				
Money Market Investments	4.26%	$70,185,221	2.64%	$57,302,886
Short-Term Investments				
Bonds	-	-	3.01%	1,500,000
Money Market Investments	4.28%	35,798,188	2.73%	30,856,778
Non-Registered Mutual Funds (SIPP)		227,593	1.84%	246,870
Long-Term Investments				
Money Market Investments	4.13%	4,549,161	2.51%	2,128,930
Bond maturity				
Within one year	-	-	-	-
Two to five years	4.23%	2,916,150	3.33%	2,916,150
More than five years	4.21%	7,001,094	3.66%	7,001,094
Canadian equities	2.04%	4,126,693	1.89%	5,085,994
U.S. equity pooled funds	1.66%	1,628,132	1.35%	1,931,051
International equity pooled funds	2.77%	1,983,522	2.65%	2,238,962

Additional Cash Flow Information

During the year ended August 31, 2006, cash interest paid on debenture and other debt amounted to $5,999,389 (2005 - $6,932,314) and cash interest earned and dividends received on investments totaled $3,790,058 (2005 - $2,450,614).

4. OTHER CURRENT ASSETS

	2006	2005
Temporary investments with original maturities greater than 90 days	$ 36,025,780	$ 32,603,650
Inventory	640,028	580,928
	$ 36,665,808	$ 33,184,578

5. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education operating grants	$ 113,796	$ 14,358,063
Alberta Infrastructure and Transportation capital grants	9,728,034	6,718,607
Debenture interest grants	2,926,110	3,403,974
School jurisdictions and other governments	1,951,762	1,473,468
Other accounts receivable	3,656,798	3,825,592
	$ 18,376,500	$ 29,779,704

6. ASSET RETIREMENT OBLIGATIONS

The Corporation has not recorded an asset retirement obligation for the estimated costs of removing and disposing of asbestos in certain schools. The Corporation is unable to determine the amount of this liability as the retirement date of these assets is unknown.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	2005
Salaries and benefits	$33,185,565	$38,053,916
Debenture interest	2,926,110	3,403,978
Federal government	171,718	15,370
Contractor payables	7,425,403	4,113,124
Other accounts payable	13,306,332	10,111,696
Other accrued liabilities	6,146,264	2,704,322
	$63,161,392	$58,402,406

8. DEFERRED REVENUE

	2006	2005
Alberta Education Grants		
Infrastructure Maintenance Renewal (IMR)	$ 5,951,441	$ -
Alberta Initiative for School Improvements	311,898	3,937,356
Class Size Initiative	270,598	-
Regional Educational consulting Services	240,987	178,464
Small School by Necessity	64,719	-
Plant Operation and Maintenance	-	3,103,736
Other Alberta Education revenues	294,922	658,264
Alberta Infrastructure - IMR	-	6,449,403
Scholarship funds	449,542	511,075
Other organization and individual revenues	8,574,953	8,115,894
	$16,159,060	$22,954,192

9. PENSIONS/EMPLOYEE FUTURE BENEFITS

(a) Local Authorities Pension Plan

The Corporation's net pension expense for the year amounts to $8,420,503 (2005 - $7,250,649).

(b) Supplemental Integrated Pension Plan

During the 2005/06 school year, the plan was enhanced to be effective January 1, 2000.

The Corporation's net pension expense for the registered portion for the year was $179,441 (2005 - $79,626). The net pension expense for the non-registered portion was $227,593 (2005 - $246,870) set up as both a liability and an offsetting asset amount for contributed funds held in trust.

(c) Other Employee Future Benefits

The significant actuarial assumptions adopted in measuring the Corporation's employee future benefit obligation (based on a weighted average assumption of the various plans as of August 31, 2006) are as follows:

Amortization method	Straight-line
Discount rate	5.00%
Supplementary health care cost escalation	8.0% for 2006, grading by 0.5% per year to an ultimate rate of 5.0%
Dental care cost escalation	4.0% per year
Provincial health care escalation	3.0%

During the 2005/06 fiscal year, the Corporation reached collective agreements as follows, which included certain amendments to the employees' post retirement benefit plans that will reduce the Corporation's future obligations:

Calgary Board of Education Staff Association	September 1, 2004 - August 31, 2007
Calgary Board of Education Staff Association for Professional Support Staff	September 1, 2004 - August 31, 2007
Canadian Union of Public Employees, Local #40	September 1, 2005 - August 31, 2008

The actuarially determined liability for future employee benefits at August 31, 2006 is $39,236,000 (2005 - $46,681,000). To date, $26,027,109 (2005 - $23,737,141) has been accrued in these financial statements. The initial transitional obligation of $35,664,263 at September 1, 2000 is being amortized over the expected average remaining service period of the employee group, which was estimated to be 12 years. The unamortized transitional obligation of $7,428,000 on September 1, 2005 has been reduced by $3,301,000 to $4,127,000 to reflect the change in the accrued benefit obligation to Staff Association, Staff Association for Professional Support Staff and the Canadian Union of Public Employees, and the remaining amount amortized over the balance of the original average remaining service period, which is 6 years.

The total current year expense for employee future benefits amounts to $5,489,146 (2005 - $5,632,769), including current service costs of $1,274,000 (2005 - $1,041,000). During the year ended August 31, 2006, $3,199,178 (2005 - $3,169,723) was paid in respect of post-employment or post-retirement benefits.

10. LONG-TERM DEBT

Long-term debt relates to debentures for the acquisition of school buildings funded directly by Alberta Infrastructure and Transportation and to capital leases, approved by the Minister of Education for internally financed equipment purchases. Debentures are secured by all assets of the Corporation.

Debenture debt on school buildings, in the amount of $50,008,914 outstanding at August 31, 2006, bears interest at rates ranging from 7.25% to 12.00% with a weighted average rate of 10.16% per annum. Debenture interest expense on school buildings during the year amounted to $5,521,522 (2005 - $6,445,137). Debentures were issued for periods of 15, 20 or 25 years in those years prior to 1995 when the Corporation had local taxing authority. Fair value of this debt, calculated using discounted cash flow analyses with a discount rate equal to the prevailing market rate of interest for instruments having the same terms and characteristics, is $70,409,512. This fair value amount is provided for information purposes only. This debt is fully guaranteed by the Province of Alberta and Alberta Finance funds interest and principal payments.

In addition, the Corporation has entered into a capital lease obligation for certain equipment which is valued at $2,475,943 as of August 31, 2006. This obligation bears interest at the Royal Bank of Canada prime rate less 1.6% per annum and expires September 29, 2014. Capital lease interest expense during the year amounted to $55,034 (2005 - $57,079).

The following is a summary by fiscal year of principal payments on debenture debt and on capital leases outstanding at August 31, 2006:

Year Ending	Debenture Debt	Capital Leases	Total
2007	8,611,998	274,404	8,886,402
2008	7,855,171	263,697	8,118,868
2009	6,490,037	271,030	6,761,067
2010	5,249,490	278,580	5,528,070
2011	4,480,173	286,354	4,766,527
to maturity	17,322,045	1,101,878	18,423,923
Total	50,008,914	2,475,943	52,484,857
Current portion	8,611,998	274,404	8,886,402
Long-term portion	$ 41,396,916	$ 2,201,539	$ 43,598,455

11. CONTINGENCIES AND COMMITMENTS

From year to year, legal actions are brought against the Corporation in the normal course of operations. The ultimate resolutions of claims presently outstanding are not expected to be significant to the overall financial position of the Corporation.

The Corporation has an undertaking to eliminate its unrestricted operating deficit arising from prior years (see note 12).

The Corporation has contractual commitments to complete major capital projects relating to school buildings. As at August 31, 2006, these outstanding contractual obligations amount to $11,924,365, all of which are expected to be funded by the Province of Alberta.

The Corporation has entered into a fixed price electricity services agreement of a certain price for all of their total annual electrical consumption. This agreement expires on December 31, 2008.

To the extent the Corporation terminates certain contractual commitments for convenience under certain service and development management agreements, the Corporation would incur costs, depending on the date of termination, of between $15,000,000 and $4,500,000.

The Corporation has entered into operating lease agreements for office space that expire through August 31, 2009. Future minimum annual lease payments under these leases are as follows:

2007	$ 425,892
2008	437,997
2009	338,566
	$1,202,455

Rent expense during the year amounted to $448,843 (2005 - $388,293).

The Corporation has entered into a certain service agreement related to certain payroll and human resources administration processes expiring October 16, 2015. Future minimum annual payments under this commitment are:

2007	$ 5,517,115
2008	6,100,193
2009	6,714,801
2010	7,333,154
2011	8,147,004
2012 and thereafter	36,848,218
Total payments	$70,660,485

12. NET ASSETS

The components of the Corporation's net assets of $94,759,519 as at August 31, 2006 are described below:

(a) Unrestricted Net Assets

Under Alberta Education requirements, operating reserves may only be created or increased when a school board has an accumulated operating surplus. Alberta Education excludes school generated funds from this determination. However, where certain instructional initiatives are planned or in progress, and consistent with prior years, the Corporation has designated or reserved operating funds for specific purposes. These fund designations will be honoured in accordance with legislation or a Board of Trustees motion.

These funds are identified below as "restricted net assets – operating" in the amounts of $1,255,826 in the current year and $18,217,244 on a cumulative basis. In accordance with the requirements of Alberta Education, however, for financial statement purposes, the Statement of Changes in Net Assets reflects transfers of these funds from operating reserves to unrestricted net assets.

As at August 31, 2006, the Corporation has an accumulated operating surplus of $nil (2005 –$nil) comprised of the following:

	2006	2005
Unrestricted operating surplus	$ 18,217,244	$ 12,045,240
Restricted net assets - operating	(18,217,244)	(12,045,240)
	$ 0	$ 0

(i) Unrestricted Operating Surplus

Unrestricted operating surplus or, if negative, deficit represents the aggregation of successive years' annual unrestricted excesses and deficiencies of revenues over expenses. As at August 31, 2006, the Corporation has an unrestricted accumulated operating surplus of $18,217,244 (2005 - $12,045,240).

In 1999, senior administration prepared a plan, approved by the Minister of Education, to eliminate its unrestricted accumulated operating deficit over a ten-year period, ending August 31, 2010. The minimum provision amount required per year is $2,600,000. Since the Minister of Education approved the plan in 1999, the Corporation is ahead of its deficit reduction objective as at August 31, 2006 by $9,818,288.

(ii) Restricted Net Assets – Operating

Restricted net assets – operating consists of designated funds and operating reserves, which are established through Provincial regulation or by Board of Trustees' approval. These restricted funds are set aside by the Board to provide funding for specific programs or to stabilize annual fee rates established to offset the cost of programs and services.

Restricted net assets – operating comprises the following:

	2006	2005
Designated Funds		
School decentralized budgets (in addition, the Board also approved a carried forward school budget of $565,712 (2005 - $4,916,178))	$ 4,490,827	$ 1,643,477
Instructional programs	2,976,462	785,562
Total designated funds	7,467,289	2,429,039
Operating Reserves		
Transportation Fee Stabilization Reserve	$ -	$ 2,254,663
Continuing Education Fee Stabilization Reserve	1,211,130	1,184,479
Music Loan Pool Reserve	641,020	600,616
Utility Expense Stabilization Reserve	3,375,469	2,416,107
Snow Removal Budget Stabilization Reserve	200,000	-
Administrative Systems Renewal Reserve	5,322,336	3,160,336
Total operating reserves	10,749,955	9,616,201
Total restricted net assets - operating	$ 18,217,244	$ 12,045,240

As at August 31, 2006, the Board of Trustees has approved the use of $300,000 of the Utility Stabilization Fee Reserve in the 2006/07 operating budget.

(b) Capital Reserves and Designated Capital Funds

The Corporation's capital reserves, established by Board of Trustees' motion and in accordance with Provincial regulation, are funded from proceeds on disposals of capital assets, provision from operating funds or from lease revenues. To date, the following capital reserves have been established:

	2006	2005
Unspent proceeds on disposal of capital assets	$ 7,984,678	$10,980,111
Capital reserve for school program modernization	3,880,119	2,500,000
Capital reserve for leased school buildings	2,000,000	2,000,000
Chinook Learning Services Relocation Reserve	412,316	-
Funds designated for approved capital projects	5,314,914	7,139,432
	$ 19,592,027	$ 22,619,543

These reserves are to be applied to finance future capital expenditures in accordance with the specific requirements of each of these reserve funds. Funds may be designated by the Board of Trustees from time to time to permit the completion of budgeted capital projects. As at August 31, 2006, the Board of Trustees has approved the use of $10,698,445 of these funds for future capital transactions leaving $8,893,581 uncommitted for future capital projects. These funds are committed as capital projects are approved.

(c) Investment in Capital Assets

Investment in capital assets represents the Corporation's net investment of operating funds that have been used from time to time to purchase building improvements, capital equipment and technology infrastructure to support the general operating activities of the Corporation.

13. OTHER ALBERTA EDUCATION REVENUES (SCHEDULE A)

	2006	2005
Alberta Education Grants		
Plant Operations and Maintenance	$ 69,897,635	$ 24,028,359
Connecting Community of Learners	288,184	567,216
Textbooks-Classroom Resources funding	184,632	2,067,368
Video Conferencing	100,000	-
O. O. P. Pathways Projects	56,711	-
SAIT – Secondary ELA	11,248	-
Promising Practice in Assisting Immigrant Children/Families	5,000	-
Staff secondments, contracts and other	174,599	488,624
	$ 70,718,009	$ 27,151,567

14. RELATED PARTIES

(a) Province of Alberta

The Corporation is economically dependent upon the Government of the Province of Alberta since the viability of its on-going operations depends on contributions from Alberta Education and other provincial ministries

Effective 2005/06, school jurisdictions are controlled by the Government of Alberta according to criteria set out in the Canadian Institute of Chartered Accountants Public Sector Accounting Standards section 1300, Government Reporting Entity. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post secondary institutions and other school jurisdictions in Alberta.

Assets, liabilities and transactions of the Corporation that relate to the Government of Alberta are:

	Balances		Transactions	
2005/06	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	$ 113,795	$ 15,548,690	$ 726,665,412	$ 2,287,739
Infrastructure & Transportation	12,654,144	-	7,542,601	-
Finance	-	52,935,025	5,521,522	-
Health & Wellness	-	-	-	-
Human Resources/Employment	48,283	-	481,357	-
Other Gov't of Alberta departments	-	-	-	-
Other:				
Health authorities	-	139,994	-	1,080,873
Post-secondary institutions	11,445	-	-	156,855
Other Alberta school jurisdictions	1,071,310	-	6,398,823	78,636
Other related parties	-	-	-	8,420,503
TOTAL 2005/06	$ 13,898,977	$ 68,623,709	$ 746,609,715	$ 12,024,606
TOTAL 2004/05	$ 25,589,711	$ 82,217,862	$ 704,987,390	$ 10,791,834

(b) EducationMatters

EducationMatters (formerly The Calgary Board of Education Foundation). (the "Foundation") was established in 2003 by the Corporation under a trust indenture. The Corporation's Board of Trustees appoints the Governors of the Foundation, however Trustees cannot hold a majority of the Governor positions. The Foundation promotes activities that support public education for the benefit of Calgary's students.

The Foundation is not consolidated in these financial statements. The resources held by the Foundation are not necessarily limited for use by the Corporation. Selected financial information for the Foundation for the 12 months ended August 31 is as follows:

	2006	2005
Total assets	$1,710,000	$1,172,000
Total liabilities	4,000	4,000
Net assets	$1,706,000	$1,168,000
Fund balances held by the Foundation:		
Flow through funds	$ 447,000	$ 318,000
Endowment funds	863,000	436,000
Operating funds	396,000	414,000
	$1,706,000	$1,168,000
Revenues (1)	$1,588,000	$1,358,000
Expenses (2)	1,050,000	650,000
Excess of revenues over expenses	$ 538,000	$ 708,000

(1) Revenues include financial support from the Corporation of $449,000 (2005 - $200,000)
(2) Charitable disbursements and expenses paid to the Corporation amount to $14,000 (2005 - $16,000)

(c) The Urban Schools Insurance Consortium

The District is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from the insurers favorable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The District's share of the accumulated consortium funds as at August 31, 2006 was $2,436,438 (2005 - $2,675,290). This amount has not been recognized in the district's financial statements, as the revenue has not been realized by the District.

(d) Other fundraising groups and associations

Various parent groups, including societies and other associations, solicit donations and undertake fundraising activities to provide operating and capital donations to further the objectives of the Corporation. The financial information of these groups is not consolidated in these financial statements.

15. SUBSEQUENT EVENT

Effective November 1, 2006, the Corporation entered into a fixed price natural gas supply agreement of a certain price for a majority of their total annual natural gas consumption. This agreement expires on December 31, 2011.

16. COMPARATIVE FIGURES

Certain 2005 amounts have been reclassified where necessary to conform to the current year's presentation.

SCHEDULE A to the AFS

School Jurisdiction Code 3030

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$726,665,413	$598,042,749	$70,181,970	$26,244,423	$29,058,694	$3,137,577
(2) **Alberta Infrastructure & Transportation**	$7,542,601	$0	$7,542,601			
(3) **Alberta Finance**	$5,521,522		$5,521,522			$0
(4) **Other - Government of Alberta**	$144,952	$0	$0	$0	$40,080	$104,872
(5) **Federal Government and/or First Nations**	$2,642,842	$1,807,056	$74,170	$0	$44,166	$717,450
(6) **Other Alberta school authorities**	$1,097,656	$928,785	$149,730	$19,141	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$1,118,105	$72,224	$527,009	$0	$0	$518,872
(9) **Instruction resource fees**	$7,189,000	$7,189,000				
(10) **Transportation fees**	$5,177,656			$5,177,656		
(11) **Other sales and services**	$20,373,715	$10,675,364	$787,381	$5,177	$1,508,543	$7,397,250
(12) **Investment income**	$4,864,262	$0	$258,937	$0	$0	$4,605,325
(13) **Gifts and donations**	$884,723	$850,723	$0	$0		$34,000
(14) **Rentals of facilities**	$6,275,409	$0	$3,200,139	$0	$40,030	$3,035,240
(15) **Net school generated funds**	$6,933,497	$6,933,497			$0	
(16) **Gains on disposal of capital assets**	$52,819	$0	$52,819	$0	$0	$0
(17) **Amortization of capital allocations**	$14,418,487	$0	$14,418,487	$0		$0
(18) **TOTAL REVENUES**	$810,902,659	$626,499,398	$102,714,765	$31,446,397	$30,691,513	$19,550,586
EXPENSES						
(19) **Certificated salaries**	$417,206,169	$413,199,992			$1,778,696	$2,227,481
(20) **Certificated benefits**	$50,233,967	$49,684,695			$254,576	$294,696
(21) **Uncertificated salaries and wages**	$124,958,579	$72,854,792	$32,716,924	$761,740	$13,983,001	$4,642,122
(22) **Uncertificated benefits**	$29,192,434	$17,218,376	$8,029,383	$168,189	$2,882,096	$894,390
(23) **SUB - TOTAL**	$621,591,149	$552,957,855	$40,746,307	$929,929	$18,898,369	$8,058,689
(24) **Services, contracts & supplies**	$137,280,031	$53,911,836	$36,377,271	$31,979,879	$11,005,437	$4,005,608
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$6,933,497	$6,933,497				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$14,418,487	$0	$14,418,487	$0	$0	$0
(28) Unsupported	$7,759,078	$5,234,013	$912,441	$2,796	$1,596,949	$12,879
(29) Total Amortization	$22,177,565	$5,234,013	$15,330,928	$2,796	$1,596,949	$12,879
Interest on capital debt						
(30) Supported	$5,521,522	$0	$5,521,522	$0	$0	$0
(31) Unsupported	$67,965	$28,993	$38,972	$0	$0	$0
(32) Other interest charges	$82,563	$0	$0	$0	($3,909)	$86,472
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$793,654,292	$619,066,194	$98,015,000	$32,912,604	$31,496,846	$12,163,648
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$17,248,367	$7,433,204	$4,699,765	($1,466,207)	($805,333)	$7,386,938

School Jurisdiction Code: 3030

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$15,803,390
Base Instruction (Gr 1-12)	$470,988,819
Outreach Programs	$208,080
Home Education	$157,818
Differential Cost Funding *	$116,865,182
Other Provincial Support	
Institutional Programs	$2,976,159
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$2,849,393
Learning Resources Credit Allocation	$688,654
Provincial Priority Targeted Funding	
Class Size Initiative	$25,805,760
Student Health Initiative (SHI)	$2,398,142
Alberta Initiative for School Improvement (AISI)	$15,674,833
High Speed Networking	$1,246,839
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$284,335
Other Alberta Education Revenues (describe): Plant Operations $ Maintenance and Other AB Ed revenue, Note 12	$70,718,009
Total Alberta Education Revenues	$726,665,413

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 3030

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$47,794,018	$45,682,060	$17,895,035		$0	$355,364	$111,726,477
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$28,686,872	$9,993,743	$515,321		$0		$39,195,936
ECS Program Unit (PUF)	$431,187	$1,876,865	$245,613		$0		$2,553,665
Severe Disabilities (Gr 1-12)	$19,950,914	$18,704,446	$4,663,559		$0		$43,318,919
English as a Second Language	$10,879,772	$2,500,923	$29		$0		$13,380,724
French Language Program & Francisation (all jurisdictions)	$497,433	$51,404	$553,212		$0		$1,102,049
First Nations, Metis and Inuit Education (ECS - Gr 12)	$636,854	$744,835	$49,359		$0		$1,431,048
Home Education	$79,517	$30,034	$180,787		$0		$290,338
Institutional Programs	$1,931,331	$1,000,780	$109,840		$0		$3,041,951
Alberta Initiative for School Improvement	$11,005,555	$841,970	$3,827,307	$432,825	$0		$16,107,657
Student Health Initiative	$373,975	$1,127,461	$868,870		$0		$2,370,306
High Speed Networking			$1,246,839		$0		$1,246,839
Class Size	$25,805,760	$0	$0	$0	$0		$25,805,760
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$283,210,031	$3,824,246	$562,061,641	$4,202,689	$0	$4,907,642	$357,494,525
TOTAL EXPENSES	$431,283,219	$86,378,767	$592,217,412	$4,635,514	$0	$5,263,006	$619,066,194

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	378.1	225.6
ECS Program Unit (PUF)	4.7	36.8
Severe Disabilities (Gr 1-12)	253.5	437.5

Note:

[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 3030

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$793,654,292**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$31,746,172
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$31,746,172**
Less: 2005/2006 Board and System Administration expenses		-$31,496,846
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$249,326

School Jurisdiction Code: 3030

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$11,530,559
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$13,384,122	$12,397,669	$986,453	
Student fees (Non-Instructional) (Note 2)	$12,408,309	$9,056,970	$3,351,339	
Donations and grants to schools	$4,934,692	$429,567	$4,505,125	
Other (describe):	$273,643	$50,758	$222,885	
Net Additions to SGF	$31,000,766	$21,934,964		$9,065,802
Net SGF Available for Spending				$20,596,361
Application of Net School Generated Funds:				
Extra-curricular activities			$4,118,637	
School site beautification			$0	
Field Trips			$1,362,341	
Equipment			$1,452,519	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended (Note 3)				$6,933,497
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$13,662,864

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 3030

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$20,383,602	$7,471,765	$0	$923,590	$3,937,967	$32,716,924		$32,716,924
Uncertificated benefits	$5,246,448	$1,683,170	$0	$197,848	$901,917	$8,029,383		$8,029,383
Sub-total Remuneration	$25,630,050	$9,154,935	$0	$1,121,438	$4,839,884	$40,746,307		$40,746,307
Contracted Services	$778,727	$5,847,947	$319,280	$5,143,965	$556,281	$12,646,200		$12,646,200
Supplies	$1,475,154	$3,203,620	$0	$1,341,128	$366,433	$6,386,335		$6,386,335
Electricity			$8,556,067			$8,556,067		$8,556,067
Natural Gas/Heating Fuel			$6,751,727			$6,751,727		$6,751,727
Sewer and Water			$980,225			$980,225		$980,225
Telecommunications			$92,688			$92,688		$92,688
Insurance					$964,029	$964,029		$964,029
Amortization of capital assets								
Supported							$14,418,487	$14,418,487
Unsupported						$912,441		$912,441
Total Amortization						$912,441	$14,418,487	$15,330,928
Interest on capital debt								
Supported							$5,521,522	$5,521,522
Unsupported				$0		$38,972		$38,972
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$27,883,931	$18,206,502	$16,699,987	$7,606,531	$6,726,627	$78,074,991	$19,940,009	$98,015,000
SQUARE METRES								
School Buildings								1,209,489.2
Non School Buildings								25,992.1

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3030

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Gordon Dirks	1.0	$26,111	$1,238	$0			$27,349	$12,907
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Carol Bazinet	1.0	$21,268	$999	$0			$22,267	$10,584
Nancy Close	1.0	$23,689	$1,118	$0			$24,807	$11,405
Patricia Cochrane	1.0	$21,268	$999	$0			$22,267	$10,337
Kyle Fawcette	1.0	$21,268	$999	$0			$22,267	$10,580
Lynn Ferguson	1.0	$21,268	$999	$0			$22,267	$10,385
George Lane	1.0	$21,268	$0	$0			$21,268	$10,442
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*7.0*	*$156,139*	*$6,353*	*$0*			*$162,492*	*$76,640*
Superintendent Dr. Brendan J. Croskery (Note 2)	1.0	$209,783	$31,833	$10,000	$0	$0	$251,616	$783
	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Donald M. Dart	1.0	$172,659	$39,820	$5,000	$0	$0	$217,479	$1,413
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	6,189.4	$416,986,385	$50,202,134	$0	$0	$0	$467,188,520	
Uncertificated Salaries & Wages	3,094.9	$124,624,781	$29,146,261	$0	$0	$0	$153,771,042	
TOTALS		**$542,149,748**	**$79,426,401**	**$15,000**	**$0**	**$0**	**$621,591,149**	

Note: Please refer to completion information on page 15

Note 2: The benefit costs for the superintendent do not reflect the Alberta Teacher Retirement fund contribution made by Alberta Education on behalf of the CBE in the amount of $17,250 for 2005/06.

Note 3: The benefit costs for the certificated teaching staff do not reflect the Alberta Teacher Retirement fund contribution made by Alberta Education on behalf of the CBE.

School Jurisdiction Code: 45

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CALGARY SCIENCE SCHOOL
Legal Name of School Jurisdiction

5915 Lewis Drive, Calgary Alberta
Mailing Address

Telephone 403-282-2890 Fax 403-282-2896
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CALGARY SCIENCE SCHOOL (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Dave Robinson	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT	
Gordon Welch	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Myra Penberthy	**"ORIGINAL SIGNED"**
Name	**Signature**

22-May-07
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 45

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AUDITORS' REPORT

To the Board of Trustees of the Calgary Science School Society:

We have audited the amended statement of financial position of the Calgary Science School Society as at August 31, 2006 and the amended statements of revenues and expenses, cash flows, and changes in net assets for the year then ended. These amended financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these amended financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the amended financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these amended financial statements present fairly, in all material respects, the amended financial position of the school jurisdiction as at August 31, 2006 and the amended results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic amended financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic amended financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The 2005 comparative figures were audited by another Chartered Accounting firm.

Calgary, Alberta
October 18, 2006, except as to
Note 13 which is as of May 20, 2007

DCS Chartered Accountants

School Jurisdiction Code: 45

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005 Restated
ASSETS			
Current assets			
Cash and temporary investments		$597,951	$399,113
Accounts receivable (net after allowances)		$44,645	$103,400
Prepaid expenses		$102,880	$157,064
Other current assets		$0	$0
Total current assets		$745,476	$659,577
School generated assets		$0	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$574,728		
Less: accumulated amortization	($205,150)	$369,578	$394,602
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$369,578	$394,602
TOTAL ASSETS		$1,115,054	$1,054,179
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$20,117	$70,528
Deferred revenue		$374,594	$412,693
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$394,711	$483,221
School generated liabilities		$0	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$0	$0
TOTAL LIABILITIES		$394,711	$483,221
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$350,765	$176,356
Accumulated Operating Surplus (Deficit)		$350,765	$176,356
Investment in capital assets		$369,578	$394,602
Capital Reserves		$0	$0
Total Capital Funds		$369,578	$394,602
Total net assets		$720,343	$570,958
TOTAL LIABILITIES AND NET ASSETS		$1,115,054	$1,054,179

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 45

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005 Restated
REVENUES			
Government of Alberta	$4,849,706	$4,409,362	$3,995,310
Federal Government and/or First Nations	$0	$0	$29,580
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$172,797	$295,060	$165,988
Transportation fees	$188,427	$197,400	$150,310
Other sales and services	$24,388	$17,640	$61,220
Investment income	$9,338	$5,200	$4,391
Gifts and donations	$0	$0	$3,993
Rentals of facilities	$13,105	$1,000	$630
Net school generated funds	$158,097	$1,500	$118,716
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$63,352	$0
Total Revenues	$5,415,858	$4,990,514	$4,530,138
EXPENSES			
Certificated salaries	$2,225,135	$2,025,287	$1,889,141
Certificated benefits	$175,276	$161,513	$153,169
Uncertificated salaries and wages	$243,643	$266,258	$221,715
Uncertificated benefits	$58,527	$63,537	$55,863
Services, contracts and supplies	$2,270,153	$2,510,967	$1,873,537
Net school generated funds	$158,097	$1,500	$118,716
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$135,642	$63,352	$69,508
Total Amortization of capital assets	$135,642	$63,352	$69,508
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$5,266,473	$5,092,414	$4,381,649
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$149,385	($101,900)	$148,489
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$149,385	($101,900)	$148,489

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$149,385	$148,489
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$135,642	$69,508
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$58,755	$45,909
Prepaids and other current assets	$54,184	$24,692
Long term accounts receivable	$0	
Long term investments	$0	$0
Payables and accrued liabilities	($50,411)	($19,769)
Deferred revenue	($38,099)	$90,455
Employee future benefit expense (recovery)	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	$309,456	$359,284
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	($110,618)	($220,448)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)		
Total sources (uses) of cash from Investing activities	($110,618)	($220,448)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$198,838	$138,836
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$399,113	$260,277
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$597,951	$399,113

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 45

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$570,958	$394,602	$0	$176,356	$49,519	$0	$67,280	$0	$19,182	$0	$40,375	$0	$0	$0
Prior period adjustments (describe)														
	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$570,958	$394,602	$0	$176,356	$49,519	$0	$67,280	$0	$19,182	$0	$40,375	$0	$0	$0
Excess(def) of revenue over expenses	$149,385		$149,385											
Board funded capital transactions		$110,618		($110,618)	($110,618)		$0			$0	$0	$0	$0	$0
Direct credits to net assets	$0													
Amortization of capital assets		($135,642)	$135,642											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets				$0				$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0		$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($377,081)	$377,081	$377,081								$0	
Net transfers from operating reserves			$92,054	($92,054)			($67,280)		($19,182)		($5,592)		$0	
Net transfers to capital reserves			$0	$0				$0		$0		$0		$0
Net transfers from capital reserves			$0	$0				$0		$0		$0		$0
Balance at August 31, 2006	$720,343	$369,578	$0	$350,765	$315,982	$0	$0	$0	$0	$0	$34,783	$0	$0	$0

School Jurisdiction Code: 45

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$0	$0
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$0	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2006	$0	$0

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

Note 1 - Authority and Purposes

The Calgary Science School Society (the "Society") is a not-for-profit society incorporated under the Society's Act of Alberta. The Society operates the Calgary Science School, which is a registered charter school under the Province of Alberta School Act. In addition, the Society is a registered charitable organization with the Canada Revenue Agency. On January 20, 2005, the Society's Charter was renewed by Alberta Learning until August 31, 2009.

Note 2 - Significant Accounting Policies

These amended financial statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities are dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The amended financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant policies as follows:

(a) Revenue recognition

The Society uses the deferral method of recognizing contributions and fund raising which are reported as income in the year spent, except for funds designated as reserve funds created at the discretion of the Board of Directors.

Instruction and support allocations are recognized in the year to which they relate.

Unrestricted donations are recognized as revenue when received. Donations in – kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the year in which the restriction is compiled with.

(b) Property and equipment

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair market value when fair market value is reasonably determinable at the time of contribution. Property and equipment with costs in excess of $5,000 are capitalized.

Amortization commences, subsequent to the year of purchase, over their estimated useful life on a straight-line basis, which are as follows:

Computer equipment	30% per annum
Office Furniture	20% per annum

Note 2 - Significant Accounting Policies *(Continued)*

(c) Prepaid expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

(d) Contributed services

Volunteers provide assistance to the School in carrying out certain activities. The value of the contributed services is not recognized in these amended financial statements as it is not possible to determine the fair value of such assistance.

(e) School generated funds

Included in other revenues of $69,789 are school generated funds of $22,958. Included in school revenues of $496,364 are $135,139 of extended field trip revenue. These funds come under the control and responsibility of the school principal for school activities. They are usually collected, retained and expended at the school level.

(f) Reserves for future expenditures

Reserves are established at the discretion of the board for future operating and capital expenditures. Transfers to and/or from capital reserves are shown as an adjustment to the capital equity.

(g) Pensions

Pension costs included in these statements comprise the cost of employer for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Calgary Science School Division does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $6,539 for the year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency of $1,288,924,000).

Note 2 - Significant Accounting Policies *(Continued)*

(h) Financial instruments

The Society's financial instruments consist of cash, short-term deposits, accounts receivable and accounts payable and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest or currency risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

Note 3 - Reclassification of Prior Year's Balances

The statements of financial position has been changed due to accounting errors in recording prepaid expenses, and capital assets. The prepaid expense of $280,040 included computer laboratory additions of $122,976. The prepaid expenses have been restated at $157,064. The capital assets have been restated at $394,602.

Net assets have been reclassified at $394,602 and internally restricted assets have been restated at $176,356.

Note 4 - Short Term Deposits

Short-term deposits in the amount of $359,278 (2005 - $350,440) consist of a T-Bill savings Account of $258,153 (2005 – $250,440) bearing interest at 1.658% (2005 – 1.658%) and two GIC's of $101,125 (2005 - $100,000) bearing interest at 3% and 3.1% (2005 - 2.125%).

Note 5 - Accounts Receivable

	2006	2005
Accounts receivable consists of the following:		
Provincial Government grants receivable	$ -	$ 68,754
Miscellaneous	2,838	761
GST refundable	41,807	33,885
	$ 44,645	$ 103,400

Note 6 - Property and Equipment

		2006	
	Cost	Accumulated Amortization	Net Book Value
Computer equipment	$ 538,819	$ 190,786	$ **348,033**
Office furniture	35,909	14,364	**21,545**
	$ 574,728	$ 205,150	$ **369,578**

		2005	
	Cost	Accumulated Amortization	Net Book Value
Computer equipment	$ 428,201	$ 62,326	$ 365,875
Office furniture	35,909	7,182	28,727
	$ 464,110	$ 69,508	$ 394,602

Note 7 - Deferred Revenue

Deferred revenues represent funds received during the school year, which have not been taken into income during the school year in which the funds were received. These funds are recognized as income, when expenses related to the projects are incurred. Deferred revenues are as follows:

	2006	2005
Alberta instruction grants	$ -	$ 71,898
Enrichment fees	**192,388**	161,745
Transportation	**160,764**	162,892
Lunchroom fees	**16,417**	13,575
Other	**5,025**	2,583
	$ **374,594**	$ 412,693

These funds have been co-mingled with the Society's general bank account.

Note 8 - Long Term Commitments

On September 16, 2005, the Society entered into a five year operating lease agreement with the Calgary Board of Education commencing August 1, 2005. This lease expires on July 31, 2009. Aggregate annual lease payments in each of the next five years are $764,713.

Note 9 - Internally Restricted Net Assets

The excess of revenues over expenses for the year are designated as internally restricted net assets resulting from the Board passing a resolution implementing this policy.

Note 10 - Donations

Donations received from sponsors and through the fund raising efforts of both the Board of Directors and the School Council consist of the following:

	2006	2005
School planning project	-	3,819
Cash	-	-
	$ -	$ 3,819

Note 11 - Economic Dependence on Related Third Party

The Calgary Science School Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

Note 12 - Prior Year Figures

Prior year figures have been audited by another professional accounting firm and have not been verified.

Note 13 - Additional Information

Subsequent to the completion of our audit on October 18, 2006, certain balances on the statement of revenues and expenses, statement of changes in net assets and statement of cash flows were reclassified as to presentation only in order to comply with the directions provided by Alberta Education.

SCHEDULE A to the AFS

School Jurisdiction Cod 45

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$4,699,706	$3,020,583	$1,273,268	$198,661	$207,194	$0
(2) **Alberta Infrastructure & Transportation**	$0	$0				
(3) **Alberta Finance**	$150,000		$0			$150,000
(4) **Other - Government of Alberta**	$0	$0		$0	$0	$0
(5) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$172,797	$172,797				
(10) **Transportation fees**	$188,427			$188,427		
(11) **Other sales and services**	$24,388	$24,388	$0	$0	$0	$0
(12) **Investment income**	$9,338	$9,338	$0	$0	$0	$0
(13) **Gifts and donations**	$0		$0	$0		$0
(14) **Rentals of facilities**	$13,105	$13,105	$0	$0	$0	$0
(15) **Net school generated funds**	$158,097	$158,097			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(18) **TOTAL REVENUES**	$5,415,858	$3,398,308	$1,273,268	$387,088	$207,194	$150,000
EXPENSES						
(19) **Certificated salaries**	$2,225,135	$2,168,384			$56,751	$0
(20) **Certificated benefits**	$175,276	$175,276				$0
(21) **Uncertificated salaries and wages**	$243,643	$65,202	$109,960	$12,148	$56,333	$0
(22) **Uncertificated benefits**	$58,527	$17,755	$24,567	$3,037	$13,168	$0
(23) **SUB - TOTAL**	$2,702,581	$2,426,617	$134,527	$15,185	$126,252	$0
(24) **Services, contracts & supplies**	$2,270,153	$679,440	$982,276	$377,495	$80,942	$150,000
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$158,097	$158,097				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$0	$0	$0	$0	$0	$0
(28) Unsupported	$135,642	$135,642	$0	$0	$0	$0
(29) Total Amortization	$135,642	$135,642	$0	$0	$0	$0
Interest on capital debt						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$5,266,473	$3,399,796	$1,116,803	$392,680	$207,194	$150,000
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$149,385	($1,488)	$156,465	($5,592)	$0	$0

School Jurisdiction Code: 45

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$2,746,912
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$1,691,536
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$4,992
Provincial Priority Targeted Funding	
Class Size Initiative	$80,547
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$62,009
High Speed Networking	$6,188
Children and Youth with Complex Needs	
Infrastructure Maintenance Renewal (IMR)	
Other Alberta Education Revenues (describe): Textbook C/fwd, $12,000; One time funding $5,625;Class size Grant C/Fwd $56,	$107,522
Total Alberta Education Revenues	$4,699,706

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 45

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$199,753	$69,144	$120,871		$0	$0	$389,768
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$13,813	$16,679		$0		$30,492
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$30,347	$0	$32,155	$0	$0		$62,502
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$7,848		$0		$7,848
Class Size	$80,547	$0	$0	$0			$80,547
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$2,033,013	$0	$485,867	$16,020	$0	$293,739	$2,828,639
TOTAL EXPENSES	$2,343,660	$82,957	$663,420	$16,020	$0	$293,739	$3,399,796

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.6

Note:
1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.
2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 45

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$5,266,473**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$315,988

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $57,222	$57,222	$315,988
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment		
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$315,988**
Less: 2005/2006 Board and System Administration expenses		-$207,194
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$108,794

School Jurisdiction Code: 45

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$0
Source of Net School Generated Funds:				
Fundraising activities	$0	$0	$0	
Student fees (Non-Instructional) (Note 2)	$135,139	$0	$135,139	
Donations and grants to schools	$0	$0	$0	
Other (describe): Leadership/Debate/ Lazer Shak	$22,958	$0	$22,958	
Net Additions to SGF	$158,097	$0		$158,097
Net SGF Available for Spending				$158,097
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School site beautification			$0	
Field Trips			$135,139	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe): Leadership/Debate/Lazer Shak			$22,958	
Net SGF Expended (Note 3)				$158,097
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 4

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$54,980	$54,980	$0	$0	$0	$109,960		$109,960
Uncertificated benefits	$12,283	$12,284	$0	$0	$0	$24,567		$24,567
Sub-total Remuneration	$67,263	$67,264	$0	$0	$0	$134,527		$134,527
Contracted Services	$7,559	$840,243	$0	$0	$0	$847,802		$847,802
Supplies	$16,884	$991	$0	$0	$0	$17,875		$17,875
Electricity			$40,046			$40,046		$40,046
Natural Gas/Heating Fuel			$54,625			$54,625		$54,625
Sewer and Water			$5,383			$5,383		$5,383
Telecommunications			$6,656			$6,656		$6,656
Insurance					$9,889	$9,889		$9,889
Amortization of capital assets								
Supported							$0	$0
Unsupported								$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$91,706	$908,498	$106,710	$0	$9,889	$1,116,803	$0	$1,116,803
SQUARE METRES								
School Buildings								7,107.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 45

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2005-200

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Donna Maxwell	0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Tom Collins	0.0	$0	$0	$0			$0	$0
Name	Torben Bech-Hansen	0.0	$0	$0	$0			$0	$0
Name	Lorraine Chan	0.0	$0	$0	$0			$0	$0
Name	Jacqueline Benoit	0.0	$0	$0	$0			$0	$0
Name	Debra Pylypiw	0.0	$0	$0	$0			$0	$0
Name	Dave Robinson	0.0	$0	$0	$0			$0	$0
Name	Doug Rogan	0.0	$0	$0	$0			$0	$0
Name	Anne Tingle	0.0	$0	$0	$0			$0	$0
Name	HsingChi Wang	0.0	$0	$0	$0			$0	$0
Name	Doug Allison	0.0	$0	$0	$0			$0	$0
Name	Latrice Lehman	0.0	$0	$0	$0			$0	$0
Name	Jackie Stewart	0.0	$0	$0	$0			$0	$0
Name	James Cameron	0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*0.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Jim Toews	0.2	$28,375	$0	$0	$0	$0	$28,375	$0
Superintendent	Louise Partridge	0.2	$28,376	$0	$0	$0	$0	$28,376	$0
Secretary/Treasurer	Fern White	1.0	$56,333	$13,168	$0	$0	$0	$69,501	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		34.6	$2,168,384	$175,276	$0	$0	$0	$2,343,660	
Uncertificated Salaries & Wages		9.2	$187,310	$45,359	$0	$0	$0	$232,669	
TOTALS			**$2,468,778**	**$233,803**	**$0**	**$0**	**$0**	**$2,702,581**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 3065

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Canadian Rockies Regional Division No. 12
Legal Name of School Jurisdiction

PO Box 748, Banff, AB, T1L 1K1
Mailing Address

403-762-7242 403-762-8271
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Canadian Rockies Regional Division No. 12 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Kim Bater — "ORIGINAL SIGNED"
Name — **Signature**

SUPERINTENDENT

Brian Callaghan — "ORIGINAL SIGNED"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Dave MacKenzie — "ORIGINAL SIGNED"
Name — **Signature**

30-Jan-07
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3065

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MANKTELOW & COMPANY
CHARTERED ACCOUNTANT*

Banff
P.O. Box 2040, 229 Bear St., Banff, Alberta, Canada T1L 1B8
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*Denotes G.T. Manktelow Professional Corporation

AUDITOR'S REPORT

To The Board of Trustees
Canadian Rockies Regional Division No. 12

I have audited the statement of financial position of the Canadian Rockies Regional Division No. 12 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Manktelow & Company

Banff, Alberta
January 4, 2007

MANKTELOW & COMPANY
CHARTERED ACCOUNTANT

School Jurisdiction Code: 3065

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$837,248	$0
Accounts receivable (net after allowances)		$2,024,380	$2,205,974
Prepaid expenses		$183,118	$569,273
Other current assets		$0	$0
Total current assets		$3,044,746	$2,775,247
School generated assets		$251,977	$244,958
Trust assets		$75,484	$75,314
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$960,825	$960,825
Buildings	$43,647,132		
Less: accumulated amortization	($14,653,031)	$28,994,101	$28,453,294
Equipment	$5,658,835		
Less: accumulated amortization	($5,217,522)	$441,314	$83,559
Vehicles	$1,773,232		
Less: accumulated amortization	($1,075,072)	$698,159	$645,695
Total capital assets		$31,094,400	$30,143,373
TOTAL ASSETS		$34,466,606	$33,238,892
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$100,069
Accounts payable and accrued liabilities		$1,995,534	$1,471,870
Deferred revenue		$172,695	$190,989
Deferred capital allocations		$355,462	$4,510
Current portion of all long term debt		$703,949	$722,949
Total current liabilities		$3,227,640	$2,490,387
School generated liabilities		$251,977	$244,958
Trust liabilities		$75,484	$75,314
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$94,341	$83,518
Long term debt			
Supported: Debentures and other supported debt		$7,669,331	$8,392,280
Less: Current portion of supported debt		($703,949)	($722,949)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$21,217,450	$19,955,120
Total long term liabilities		$28,604,633	$28,028,241
TOTAL LIABILITIES		$31,832,273	$30,518,628
NET ASSETS			
Unrestricted net assets		$206	$1,125
Operating Reserves		$191,445	$398,676
Accumulated Operating Surplus (Deficit)		$191,651	$399,801
Investment in capital assets		$2,207,619	$1,795,972
Capital Reserves		$235,064	$524,493
Total Capital Funds		$2,442,684	$2,320,465
Total net assets		$2,634,335	$2,720,266
TOTAL LIABILITIES AND NET ASSETS		$34,466,608	$33,238,894

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 3065

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$17,826,894	$17,776,021	$17,753,496
Federal Government and/or First Nations	$2,478,833	$1,723,900	$2,029,066
Other Alberta school authorities	$128,252	$250,226	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$179,905	$185,247	$171,494
Transportation fees	$0	$0	$0
Other sales and services	$219,020	$246,000	$213,610
Investment income	$15,559	$0	$14,415
Gifts and donations	$0	$0	$22,971
Rentals of facilities	$139,690	$112,000	$437,277
Net school generated funds	$190,892	$144,000	$274,072
Gains on disposal of capital assets	$2,500	$0	$0
Amortization of capital allocations	$1,013,710	$1,011,443	$1,011,443
Total Revenues	$22,195,255	$21,448,838	$21,927,844
EXPENSES			
Certificated salaries	$10,948,037	$10,786,036	$11,054,714
Certificated benefits	$1,213,271	$1,402,185	$1,183,568
Uncertificated salaries and wages	$3,648,977	$3,141,682	$3,141,902
Uncertificated benefits	$825,576	$722,587	$722,017
Services, contracts and supplies	$3,218,039	$3,151,102	$3,412,630
Net school generated funds	$190,892	$144,000	$274,072
Capital and debt services			
Amortization of capital assets			
Supported	$1,013,710	$1,011,443	$1,011,443
Unsupported	$154,334	$20,000	$172,003
Total Amortization of capital assets	$1,168,043	$1,031,443	$1,183,446
Interest on capital debt			
Supported	$1,068,351	$1,068,351	$1,168,455
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,068,351	$1,068,351	$1,168,455
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$22,281,186	$21,447,386	$22,140,803
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($85,931)	$1,451	($212,959)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	($85,931)	$1,451	($212,959)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 3065

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	($85,931)	($212,959)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($1,013,710)	($1,011,443)
Total amortization expense	$1,168,043	$1,183,446
Gains on disposal of capital assets	($2,500)	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$181,594	($500,102)
Prepaids and other current assets	$386,155	($264,474)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$534,486	$57,469
Deferred revenue	($18,294)	$51,245
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$1,149,844	($696,818)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,553,090)	($90,649)
Equipment	($383,389)	($44,573)
Vehicles	($182,591)	($48,731)
Net proceeds from disposal of capital assets	$2,500	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,116,570)	($183,953)
C. FINANCING ACTIVITIES		
Capital allocations	$1,904,042	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($722,949)	($770,282)
Add back: supported portion	$722,949	$770,282
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$1,904,042	$0
Net sources (uses) of cash during year	$937,317	($880,771)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($100,069)	$780,702
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$837,248	($100,069)

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 3065

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$2,720,266	$1,795,972	$1,125	$923,169	$111,403	$239,463	$287,273	$0	$0	$42,767	$0	$242,263	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$2,720,266	$1,795,972	$1,125	$923,169	$111,403	$239,463	$287,273	$0	$0	$42,767	$0	$242,263	$0	$0
Excess(def) of revenue over expenses	($85,931)		($85,931)											
Board funded capital transactions		$565,981	($124,231)	($441,750)	$0	($259,159)	$0	$0	$0	$0	$0	($182,591)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,168,043)	$1,168,043											
Amortization of capital allocations		$1,013,710	($1,013,710)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$207,231	($207,231)	($83,000)		($124,231)		$0		$0		$0	
Net transfers to capital reserves			($152,321)	$152,321		$19,695		$0		$0		$132,626		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$2,634,335	$2,207,619	$206	$426,509	$28,403	($1)	$163,042	$0	$0	$42,767	$0	$192,298	$0	$0

School Jurisdiction Code: 3065

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$4,510	$19,955,120
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$4,510	$19,955,120
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$1,904,042	
	Infrastructure & Transportation-School/Modular Project Capital *	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$722,949
Expended capital allocations - current year		($1,553,090)	$1,553,090
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$1,013,710
Balance at August 31, 2006		$355,462	$21,217,450

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

NOTES TO THE FINANCIAL STATEMENTS

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows.

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

b) Capital Assets

Capital Assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Canadian Rockies Public Schools does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $184,117 for the Year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency of $1,288,924,000).

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time

l) Investments

Investments are recorded at the lower of cost and market value.

3. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education	$ 10,007	$ 28,380
Alberta Infrastructure & Transportation	$ 753,116	$ 1,174,080
Alberta Finance	$ 261,167	$ 286,257
Other Province of Alberta	$ -	$ -
Federal Government	$ 118,656	$ 89,400
First Nations	$ 539,980	$ 369,644
Alberta Municipalities	$ 8,665	$ 3,923
Other Alberta School Jurisdictions	$ 134,918	$ 2,190
Other	$ 197,871	$ 252,099
Total	$ 2,024,380	$ 2,205,974

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,500,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2006.

5. ACCOUNTS PAYABLE AND LIABILITIES

	2006	2005
Alberta Education	$ -	$ -
Alberta Finance	$ 262,337	$ 303,636
Other Province of Alberta	$ 15,732	$ -
Federal Government	$ 253,535	$ 178,639
First Nations	$ -	$ -
Alberta Municipalities	$ 3,177	$ 1,365
Other Alberta School Jurisdictions	$ 13,767	$ -
Other Trade Payables and Accrued Liabilities	$ 1,446,986	$ 988,230
Total	$ 1,995,534	$ 1,471,870

6. DEFERRED REVENUE

	2006	*2005*
Infrastructure Maintenance Program	$ -	$ -
Alberta Initiative for School Improvement	$ -	$ -
Other	$ 172,695	$ 190,989
Total	$ 172,695	$ 190,989

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas.

	2006	2005
Deferred Salary Leave Plan	$ 94,341	$ 83,518
Scholarship Trusts	$ 75,484	$ 75,314
Total	$ 169,825	$ 158,832

8. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2006-2007	$ 703,949	$ 736,967	$ 1,440,916
2007-2008	$ 672,914	$ 668,764	$ 1,341,677
2008-2009	$ 661,074	$ 603,505	$ 1,264,579
2009-2010	$ 661,074	$ 539,318	$ 1,200,392
2010-2011	$ 661,074	$ 475,131	$ 1,136,205
2010 to Maturity	$ 4,309,246	$ 1,745,282	$ 6,054,529
Total	$ 7,669,331	$ 4,768,966	$ 12,438,297

b) Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

9. DEFERRED AND UNAMORTIZED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction are deferred until expended on the capital project for which they were received. When expended, these funds are transferred to unamortized capital allocations.

Unamortized capital allocations represent the jurisdiction's net investment in provincially funded capital assets. For provincially funded capital assets, funding (including debenture principal payment funding) is deferred and amortized into revenue over the life of the related capital assets. The annual amortization of such assets is charged to expense and offset by corresponding revenue arising from the amortization of capital allocations.

10. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures for the modernization at Lawrence Grassi School of approximately $14,000,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

11. CONTINGENCIES

a. The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

12. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
2005-2006	Assets (At cost or net realizable value)	Liabilities (At fair value)	Revenues	Expenses
Government of Alberta:				
Education	$ 10,007	$ -	$ 16,694,211	$ -
Infrastructure & Transportation	753,116			
Finance	261,167	262,337	1,068,351	-
Health & Wellness		15,732		
Human Resources/Employment				
Other Gov't of Alberta departments			3,533	
Other:				
Health authorities				
Pos-Secondary institutions	2,369		2,369	
Other Alberta school jurisdictions	134,918	13,767	128,252	14,202
Other related parties				
Total 2005-2006	$ 1,161,577	$ 291,836	$ 17,896,716	$ 14,202

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Canadian Rockies Public Schools' primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

15. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2006 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 3065

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$16,694,211	$12,705,412	$1,885,731	$1,251,807	$851,262	$0
(2) **Alberta Infrastructure & Transportation**	$0	$0	$0			
(3) **Alberta Finance**	$1,068,351		$1,068,351			$0
(4) **Other - Government of Alberta**	$64,332	$0	$64,332	$0	$0	$0
(5) **Federal Government and/or First Nations**	$2,478,833	$2,022,992	$339,455	$0	$116,385	$0
(6) **Other Alberta school authorities**	$128,252	$0	$128,252	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$179,905	$179,905				
(10) **Transportation fees**	$0			$0		
(11) **Other sales and services**	$219,020	$137,575	$0	$81,302	$144	$0
(12) **Investment income**	$15,559	$0	$0	$0	$15,559	$0
(13) **Gifts and donations**	$0	$0	$0	$0		$0
(14) **Rentals of facilities**	$139,690	$0	$139,690	$0	$0	$0
(15) **Net school generated funds**	$190,892	$190,892			$0	
(16) **Gains on disposal of capital assets**	$2,500	$0	$0	$2,500	$0	$0
(17) **Amortization of capital allocations**	$1,013,710	$0	$1,013,710	$0		$0
(18) **TOTAL REVENUES**	$22,195,255	$15,236,777	$4,639,521	$1,335,608	$983,349	$0
EXPENSES						
(19) **Certificated salaries**	$10,948,037	$10,723,323			$224,714	$0
(20) **Certificated benefits**	$1,213,271	$1,187,932			$25,339	$0
(21) **Uncertificated salaries and wages**	$3,648,977	$1,764,003	$1,009,587	$584,635	$290,751	$0
(22) **Uncertificated benefits**	$825,576	$422,711	$197,140	$140,149	$65,575	$0
(23) **SUB - TOTAL**	$16,635,861	$14,097,970	$1,206,727	$724,784	$606,379	$0
(24) **Services, contracts & supplies**	$3,218,039	$1,040,985	$1,452,593	$347,497	$376,963	$0
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$190,892	$190,892				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$1,013,710	$0	$1,013,710	$0	$0	$0
(28) Unsupported	$154,334	$19,695	$4,512	$130,126	$0	$0
(29) Total Amortization	$1,168,043	$19,695	$1,018,222	$130,126	$0	$0
Interest on capital debt						
(30) Supported	$1,068,351	$0	$1,068,351	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$22,281,186	$15,349,542	$4,745,894	$1,202,408	$983,342	$0
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	($85,931)	($112,766)	($106,373)	$133,200	$7	$0

School Jurisdiction Code: 3065

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$389,232
Base Instruction (Gr 1-12)	$9,597,231
Outreach Programs	$52,020
Home Education	$1,272
Differential Cost Funding *	$5,445,782
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$11,414
Provincial Priority Targeted Funding	
Class Size Initiative	$517,841
Student Health Initiative (SHI)	$132,242
Alberta Initiative for School Improvement (AISI)	$291,438
High Speed Networking	$48,336
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$143,964
Other Alberta Education Revenues (describe):	$63,439
Total Alberta Education Revenues	$16,694,211

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 3065

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$685,930	$286,661	$58,355		$0	$0	$1,030,946
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$720,747	$302,315	$33,761		$0		$1,056,824
ECS Program Unit (PUF)	$0	$155,357	$52,040		$0		$207,397
Severe Disabilities (Gr 1-12)	$212,264	$446,135	$24,927		$0		$683,326
English as a Second Language	$39,602	$14,676	$5,319		$0		$59,596
French Language Program & Francisation (all jurisdictions)	$1,579,308	$153,070	$75,782		$0		$1,808,160
First Nations, Metis and Inuit Education (ECS - Gr 12)	$39,602	$29,351	$4,827		$0		$73,779
Home Education	$4,844	$931	$6,044		$0		$11,819
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$284,695	$0	$6,454	$289	$0		$291,438
Student Health Initiative	$0	$90,236	$42,006		$0		$132,242
High Speed Networking			$48,336		$0		$48,336
Class Size	$517,461	$0	$0	$380	$0		$517,841
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$7,826,803	$707,982	$683,134	$10,745	$0	$210,587	$9,427,838
TOTAL EXPENSES	$11,911,256	$2,186,714	$1,040,985	$11,414	$0	$210,587	$15,349,542

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	9.1	10.3
ECS Program Unit (PUF)	0.2	4.5
Severe Disabilities (Gr 1-12)	2.7	15.2

Note:

[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 3065

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$22,281,186**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,336,871
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$1,336,871**
Less: 2005/2006 Board and System Administration expenses		-$983,342
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$353,529

School Jurisdiction Code: 3065

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$244,958
Source of Net School Generated Funds:				
Fundraising activities	$216,375	$108,565	$107,809	
Student fees (Non-Instructional) (Note 2)	$7,250	$0	$7,250	
Donations and grants to schools	$82,852	$0	$82,852	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$306,476	$108,565		$197,911
Net SGF Available for Spending				$442,869
Application of Net School Generated Funds:				
Extra-curricular activities			$36,273	
School site beautification			$85,949	
Field Trips			$56,232	
Equipment			$8,865	
Family literacy and other community resources			$0	
Other (describe):			$3,573	
Net SGF Expended (Note 3)				$190,892
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$251,977

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 3065

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$820,712	$34,711	$0	$0	$154,164	$1,009,587		$1,009,587
Uncertificated benefits	$158,279	$7,248	$0	$0	$31,613	$197,140		$197,140
Sub-total Remuneration	$978,992	$41,959	$0	$0	$185,776	$1,206,727		$1,206,727
Contracted Services	$11,758	$270,417	$0	$342,093	$21,140	$645,408		$645,408
Supplies	$80,459	$1,440	$0	$0	$768	$82,667		$82,667
Electricity			$355,118			$355,118		$355,118
Natural Gas/Heating Fuel			$293,407			$293,407		$293,407
Sewer and Water			$67,532			$67,532		$67,532
Telecommunications			$8,461			$8,461		$8,461
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$1,013,710	$1,013,710
Unsupported						$4,512		$4,512
Total Amortization						$4,512	$1,013,710	$1,018,222
Interest on capital debt								
Supported							$1,068,351	$1,068,351
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$1,071,208	$313,817	$724,518	$342,093	$207,685	$2,663,833	$2,082,061	$4,745,894
SQUARE METRES								
School Buildings								34,798.2
Non School Buildings								1,008.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3065

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Kim Bater	1.0	$11,436	$422	$0			$11,858	$441
	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Esme Comfort	1.0	$9,997	$337	$0			$10,334	$997
Richard Craig	1.0	$9,318	$318	$0			$9,636	$1,708
Amanda Kelly	1.0	$9,493	$325	$0			$9,818	$3,282
Fiona Mactaggart	1.0	$8,733	$288	$0			$9,021	$1,969
Jane Neil	1.0	$9,657	$334	$0			$9,991	$178
Sheila Snowsell	1.0	$11,583	$429	$0			$12,012	$1,899
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
Subtotal	*7.0*	*$70,217*	*$2,453*	*$0*			*$72,670*	*$10,474*
Superintendent Brian Callaghan	1.0	$122,692	$10,180	$0	$0	$0	$132,873	$36,471
	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Dave MacKenzie	1.0	$91,700	$17,407	$0	$0	$0	$109,107	$2,105
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	147.4	$10,825,345	$1,203,090	$0	$0	$0	$12,028,435	
Uncertificated Salaries & Wages	105.0	$3,487,060	$805,716	$0	$0	$0	$4,292,776	
TOTALS		**$14,597,014**	**$2,038,847**	**$0**	**$0**	**$0**	**$16,635,861**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 6019

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CAPE - Centre for Academic and Personal Excellence
Legal Name of School Jurisdiction

830A Balmoral Street SE, Medicine Hat AB. T1A OW9
Mailing Address

Phone (403) 528-2983 Fax (403) 528-3048
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CAPE - Centre for Academic and Personal Excellence (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Warren Malinowski	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Mrs. Teresa DiNinno	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Mrs. Judy Herring	"ORIGINAL SIGNED"
Name	**Signature**

21-Dec-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 6019

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Auditor's Report

To the Board of Directors
CAPE - Centre for Academic and Personal Excellence

We have audited the statement of financial position of CAPE - Centre for Academic and Personal Excellence as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of CAPE - Centre for Academic and Personal Excellence as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The financial statements as at and for the year ended August 31, 2005 were audited by other auditors, who expressed an opinion without reservation on these statements in their report dated November 28, 2005.

Meyers Norris Penny LLP
Chartered Accountants

Medicine Hat, Alberta
December 1, 2006

School Jurisdiction Code: 6019

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$45,971	$13,283
Accounts receivable (net after allowances)		$44,044	$92,390
Prepaid expenses		$43,550	$30,803
Other current assets		$0	$0
Total current assets		$133,565	$136,476
School generated assets		$2,212	$2,299
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$544,051	$582,858
Capital assets			
Land		$0	$0
Buildings			
Less: accumulated amortization		$0	$0
Equipment	$66,457		
Less: accumulated amortization	($24,554)	$41,903	$59,063
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$41,903	$59,063
TOTAL ASSETS		$721,731	$780,696
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$72,205	$137,631
Deferred revenue		$1,313	$39,949
Deferred capital allocations		$0	$0
Current portion of all long term debt		$3,485	$8,823
Total current liabilities		$77,003	$186,403
School generated liabilities		$2,212	$2,299
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$5,000
Capital Leases		$10,681	$14,505
Mortgages		$0	$0
Less: Current portion of unsupported debt		($3,485)	($8,823)
Other long term liabilities		$0	$0
Unamortized capital allocations		$4,500	$0
Total long term liabilities		$13,908	$12,981
TOTAL LIABILITIES		$90,911	$199,384
NET ASSETS			
Unrestricted net assets		$565,716	$541,753
Operating Reserves		$38,382	$0
Accumulated Operating Surplus (Deficit)		$604,098	$541,753
Investment in capital assets		$26,723	$39,559
Capital Reserves		$0	$0
Total Capital Funds		$26,723	$39,559
Total net assets		$630,821	$581,312
TOTAL LIABILITIES AND NET ASSETS		$721,732	$780,696

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 6019

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006 Restated	Actual 2005
REVENUES			
Government of Alberta	$1,250,535	$1,165,030	$1,215,053
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$5,900
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$44,862	$30,000	$5,850
Transportation fees	$0	$0	$0
Other sales and services	$4,201	$11,000	$46,865
Investment income	$36,228	$35,000	$33,345
Gifts and donations	$5,585	$10,000	$17,119
Rentals of facilities	$0	$0	$0
Net school generated funds	$21,320	$5,000	$8,153
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$500	$0	$0
Total Revenues	$1,363,231	$1,256,030	$1,332,285
EXPENSES			
Certificated salaries	$546,582	$560,000	$575,604
Certificated benefits	$71,090	$72,000	$85,329
Uncertificated salaries and wages	$161,170	$160,000	$171,231
Uncertificated benefits	$19,094	$72,000	$21,116
Services, contracts and supplies	$475,704	$381,194	$483,619
Net school generated funds	$21,320	$5,000	$8,153
Capital and debt services			
Amortization of capital assets			
Supported	$500	$0	$0
Unsupported	$6,089	$3,897	$8,790
Total Amortization of capital assets	$6,589	$3,897	$8,790
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$1,603	$1,939	$2,997
Total Interest on capital debt	$1,603	$1,939	$2,997
Other interest charges	$0	$0	$36
Losses on disposal of capital assets	$10,570	$0	$0
Total Expenses	$1,313,722	$1,256,030	$1,356,875
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$49,509	$0	($24,590)
Extraordinary item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$49,509	$0	($24,590)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 6019

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$49,509	($24,590)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($500)	$0
Total amortization expense	$6,589	$8,790
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$10,570	$0
Changes in accrued accounts:		
Accounts receivable	$48,346	($49,738)
Prepaids and other current assets	($12,747)	($7,837)
Long term accounts receivable	$0	$0
Long term investments	$38,807	$1,589
Payables and accrued liabilities	($65,426)	$54,288
Deferred revenue	($38,636)	$39,021
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$36,512	$21,523
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	($394)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Investing activities	$0	($394)
C. FINANCING ACTIVITIES		
Capital allocations	$5,000	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($8,824)	($21,737)
Add back: supported portion	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Financing activities	($3,824)	($21,737)
Net sources (uses) of cash during year	$32,688	($608)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$13,283	$13,891
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$45,971	$13,283

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 6019

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$581,312	$39,559	$541,753	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$581,312	$39,559	$541,753	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$49,509		$49,509											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($6,589)	$6,589											
Amortization of capital allocations		$500	($500)											
Disposal of unsupported capital assets	$0	($10,570)	$10,570	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$3,823	($3,823)											
Net transfers to operating reserves			($38,382)	$38,382	$38,382				$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$630,821	$26,723	$565,716	$38,382	$38,382	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 6019

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$0	$0
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$0	$0
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$0	
	Infrastructure & Transportation-School/Modular Project Capital *	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$5,000	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		($5,000)	$5,000
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$500
Balance at August 31, 2006		$0	$4,500

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

CAPE - CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2006

1. AUTHORITY AND PURPOSE

CAPE – Centre for Academic and Personal Excellence Institute delivers education programs under the authority of the Charter School Regulations of the School Act, Revised Statutes of Alberta 2000, and Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. REVENUE RECOGNITION

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Externally restricted capital allocations from the province or other agencies are recorded as deferred capital contributions until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as amortization of capital allocations revenue in the periods which the related amortization expense of the funded capital asset is recorded.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. CAPITAL ASSETS

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis. Donated assets are recorded at fair market value at the time of the donation. The rates are as follows:

Equipment	10 years

Only capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c. SCHOOL GENERATED FUNDS

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

d. VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

e. PENSIONS

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the charter school does not make pension contributions for certified staff.

f. PREPAID EXPENSES

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

g. CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h. FINANCIAL INSTRUMENTS

These consist of cash, accounts receivable, temporary and long-term investments, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

j. MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Amortization is based on the estimated useful lives of capital assets. Amortization of capital allocations is based on the related estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

3. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education	$ -	$ 44,793
Other Province of Alberta	-	38,382
Federal Government	3,496	-
Other Alberta School Jurisdictions	36,395	-
Other	4,153	9,215
Total	$ 44,044	$ 92,390

4. ACCOUNTS PAYABLE AND LIABILITIES

	2006	2005
Alberta Education	$ 6,099	$ 5,962
Federal Government	15,111	18,909
Other Alberta School Jurisdictions	-	42,846
Other Trade Payables and Accrued Liabilities	50,995	69,914
Total	$ 72,205	$ 137,631

5. DEFERRED REVENUE

	2006	2005
Learning Resources Centre grant	$ 1,313	$ 1,567
Plant Operations and Maintenance grant	-	38,382
Total	$ 1,313	$ 39,949

6. LONG-TERM DEBT

a. Capital Leases – Unsupported

The capital lease obligation bears interest at 15.955%. The capital lease debt is not supported by Alberta Finance. Debt payments due over the next three years and beyond are as follows:

	Principal	Interest	Total
2006-2007	$ 3,485	$ 1,502	$ 4,988
2007-2008	4,076	912	4,988
2008-2009	3,120	237	3,358
Total	$ 10,681	$ 2,652	$ 13,333

7. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debentured principal repayments

8. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Directors. It is presented for information purposes only and as such was not audited.

9. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2006 presentation.

10. ECONOMIC DEPENDENCE

The Charter School's primary source of income is from the Alberta Government. The Charter School's ability to continue viable operations is dependent on this funding.

11. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
2005-2006	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	$ -	$ -	$ 1,140,051	$ -
Infrastructure & Transportation	-	-	110,484	-
Finance	-	-	-	-
Health & Wellness	-	-	-	-
Human Resources & Employment	-	-	-	-
Other Gov't of Alberta departments	-	-	-	-
Other:				
Health authorities	-	-	-	-
Post-secondary institutions	-	-	-	-
Other Alberta school jurisdictions:	-	-	-	-
Medicine Hat Catholic Separate Regional Div. No.20	36,395	-	74,777	221,014
Other related parties	-	-	-	-
TOTAL 2005-2006	**$ 36,395**	**$ -**	**$ 1,287,989**	**$ 221,014**
TOTAL 2004-2005	$ 83,175	$ -	$ 1,220,025	$ 248,627

SCHEDULE A to the AFS

School Jurisdiction Cod 6019

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$1,140,051	$819,482	$185,307	$78,040	$57,222	$0
(2) **Alberta Infrastructure & Transportation**	$110,484	$0	$110,484			
(3) **Alberta Finance**	$0		$0			$0
(4) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$44,862	$44,862				
(10) **Transportation fees**	$0			$0		
(11) **Other sales and services**	$4,201	$4,201	$0	$0	$0	$0
(12) **Investment income**	$36,228	$36,228	$0	$0	$0	$0
(13) **Gifts and donations**	$5,585	$5,585	$0	$0		$0
(14) **Rentals of facilities**	$0	$0	$0	$0	$0	$0
(15) **Net school generated funds**	$21,320	$21,320			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$500	$0	$500	$0		$0
(18) **TOTAL REVENUES**	$1,363,231	$931,678	$296,291	$78,040	$57,222	$0
EXPENSES						
(19) **Certificated salaries**	$546,582	$526,916			$19,666	$0
(20) **Certificated benefits**	$71,090	$67,797			$3,293	$0
(21) **Uncertificated salaries and wages**	$161,170	$161,170	$0	$0	$0	$0
(22) **Uncertificated benefits**	$19,094	$19,094	$0	$0	$0	$0
(23) **SUB - TOTAL**	$797,936	$774,977	$0	$0	$22,959	$0
(24) **Services, contracts & supplies**	$475,704	$153,053	$225,308	$77,124	$20,219	$0
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$21,320	$21,320				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$500	$0	$500	$0	$0	$0
(28) Unsupported	$6,089	$0	$6,089	$0	$0	$0
(29) Total Amortization	$6,589	$0	$6,589	$0	$0	$0
Interest on capital debt						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$1,603	$0	$1,603	$0		$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$10,570	$0	$10,570	$0	$0	$0
(34) **TOTAL EXPENSES**	$1,313,722	$949,350	$244,070	$77,124	$43,178	$0
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$49,509	($17,672)	$52,221	$916	$14,044	$0

School Jurisdiction Code: 6019

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$605,353
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$453,709
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$254
Provincial Priority Targeted Funding	
Class Size Initiative	$22,761
Student Health Initiative (SHI)	$1,705
Alberta Initiative for School Improvement (AISI)	$18,375
High Speed Networking	$6,042
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): Video Conferencing $30,000, One-Time Grant $1,654, French Language $198	$31,852
Total Alberta Education Revenues	$1,140,051

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 6019

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$26,573	$54,039	$42,481		$0	$2,970	$126,063
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$222,219	$37,679	$31,137		$0		$291,035
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$3,211	$8,856	$5,679		($2,754)		$14,992
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$70,212	$9,718	$8,274	$7,574	($77,403)		$18,375
Student Health Initiative	$0	$0	$1,705		$0		$1,705
High Speed Networking			$7,789		($1,747)		$6,042
Class Size	$0	$23,597	$0	$3,366	($4,203)		$22,760
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$272,498	$46,374	$0	$42,078	$86,107	$22,128	$468,377
TOTAL EXPENSES	$594,713	$180,263	$97,066	$53,018	$0	$25,098	$949,350

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	5.1	1.8
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.1	0.6

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 6019

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		$1,313,722

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	0.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$0
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$57,222	$57,222
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		$57,222
Less: 2005/2006 Board and System Administration expenses		-$43,178
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$14,044

School Jurisdiction Code: 6019

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$2,299
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$12,984	$0	$12,984	
Student fees (Non-Instructional) (Note 2)	$2,047	$0	$2,047	
Donations and grants to schools	$5,881	$0	$5,881	
Other (describe): Milk Program	$321	$0	$321	
Net Additions to SGF	$21,233	$0		$21,233
Net SGF Available for Spending				$23,532
Application of Net School Generated Funds:				
Extra-curricular activities			$1,653	
School site beautification			$0	
Field Trips			$2,774	
Equipment			$7,127	
Family literacy and other community resources			$0	
Other (describe): Cafeteria ($4,636), Library Books ($2,561), Pennies for Patients ($708), Yearbook ($1,235), Terry Fo			$9,766	
Net SGF Expended (Note 3)				$21,320
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$2,212

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 6019

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$75,479	$110,484	$0	$0	$0	$185,963		$185,963
Supplies	$5,089	$12,903	$0	$0	$0	$17,992		$17,992
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$20,116			$20,116		$20,116
Sewer and Water			$0			$0		$0
Telecommunications			$0			$0		$0
Insurance					$1,237	$1,237		$1,237
Amortization of capital assets								
Supported							$500	$500
Unsupported						$6,089		$6,089
Total Amortization						$6,089	$500	$6,589
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$1,603		$1,603
Other interest charges						$0		$0
Losses on disposal of capital assets						$10,570		$10,570
Cost recoveries between programs								$0
TOTAL EXPENSES	$80,568	$123,387	$20,116	$0	$1,237	$243,570	$500	$244,070
SQUARE METRES								
School Buildings								2,053.2
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facity planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6019

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Warren Malinowski	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Dr. Alan Gray	1.0	$0	$0	$0			$0	$0
Name	Dr. Glen Giduk	1.0	$0	$0	$0			$0	$0
Name	Lydia Fanelli	1.0	$0	$0	$0			$0	$0
Name	Christa Viljoen	1.0	$0	$0	$0			$0	$0
Name	Stu Hickey	1.0	$0	$0	$0			$0	$0
Name	Dr. Nykolay (Nyk) Hrynyk	1.0	$0	$0	$0			$0	$0
Name	James Ell	1.0	$0	$0	$0			$0	$0
Name	Charlene Gilmore	1.0	$0	$0	$0			$0	$0
Name	Paula Potts	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*10.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Teresa DiNinno	0.6	$19,666	$3,151	$0	$0	$0	$22,817	$3,515
Superintendent	Dr. Robert Lowery	0.3	$0	$0	$0	$0	$0	$0	$6,319
Secretary/Treasurer	Judy Herring	1.0	$0	$0	$0	$0	$0	$0	$10,000
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		11.3	$526,916	$63,916	$0	$0	$0	$590,832	
Uncertificated Salaries & Wages		7.4	$161,170	$18,848	$0	$0	$0	$180,018	
TOTALS			**$707,752**	**$85,915**	**$0**	**$0**	**$0**	**$793,667**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 53

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Chinook's Edge School Division No. 73
Legal Name of School Jurisdiction

4904 - 50 Street, Innisfail, AB T4G 1W4
Mailing Address

Phone (403) 227-7070 Fax (403) 227-3652
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The Chinook's Edge School Division No. 73
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Roy Brassard	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
Jim Gibbons	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
Susan Roy, CGA, MBA, csbo	"ORIGINAL SIGNED"

22-Dec-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 53

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WILLMS LEWIS SHEBECK LLP
CERTIFIED GENERAL ACCOUNTANTS

Les Willms,*
C.G.A.

Peter Lewis,*
B.A.,C.G.A.

Gerald Shebeck,*
B.Sc., C.P.A., C.G.A.

* Denotes
Professional Corporation

FINANCIAL STATEMENTS
- Compilations
- Reviews
- Audits

TAXATION SERVICES
- Compliance & Planning
- Canadian Income Tax
- International Taxation
- Trust & Estate Planning

MANAGEMENT CONSULTING
- Business Valuations
- Mergers & Acquisitions
- Business Succession
- Financial Restructuring
- Personal Financial Planning

AUDITORS' REPORT

To the Trustees of Chinook's Edge School Division #73

We have audited the statement of financial position of Chinook's Edge School Division #73 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion of the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Willms Lewis Shebeck LLP

Calgary, Alberta
December 15, 2006

WILLMS LEWIS SHEBECK LLP
CERTIFIED GENERAL ACCOUNTANTS

NACPAF

An Independent
Member Firm of
EPR CANADA
GROUP INC.

Suite 300, 10655 Southport Rd. S.W., Calgary, Alberta T2W 4Y1
Telephone (403) 278-5800 Fax (403) 253-9479
Website http//epr.ca

School Jurisdiction Code: 53

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$5,289,198	$6,681,660
Accounts receivable (net after allowances)		$5,955,292	$3,272,061
Prepaid expenses		$951,425	$818,888
Other current assets		$507	$546
Total current assets		$12,196,422	$10,773,155
School generated assets		$1,152,474	$1,121,954
Trust assets		$847,771	$813,249
Long term accounts receivable		$0	$0
Long term investments		$65,241	$49,934
Capital assets			
Land		$2,866,470	$2,869,970
Buildings	$127,186,971		
Less: accumulated amortization	($48,272,538)	$78,914,433	$70,481,928
Equipment	$6,183,873		
Less: accumulated amortization	($4,000,337)	$2,183,536	$1,634,624
Vehicles	$7,863,625		
Less: accumulated amortization	($4,417,134)	$3,446,491	$4,004,982
Total capital assets		$87,410,930	$78,991,504
TOTAL ASSETS		$101,672,838	$91,749,796
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$4,900,279	$3,055,549
Deferred revenue		$1,508,299	$1,942,696
Deferred capital allocations		$1,142,892	$2,400,596
Current portion of all long term debt		$794,861	$803,814
Total current liabilities		$8,346,331	$8,202,655
School generated liabilities		$1,152,474	$1,121,954
Trust liabilities		$847,771	$813,249
Employee future benefits liability		$130,100	$152,161
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$5,083,757	$5,887,571
Less: Current portion of supported debt		($794,861)	($803,814)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$71,371,788	$61,598,905
Total long term liabilities		$77,791,029	$68,770,026
TOTAL LIABILITIES		$86,137,360	$76,972,681
NET ASSETS			
Unrestricted net assets		$871,687	$686,852
Operating Reserves		$1,721,010	$1,434,072
Accumulated Operating Surplus (Deficit)		$2,592,697	$2,120,924
Investment in capital assets		$10,955,386	$11,505,025
Capital Reserves		$1,987,395	$1,151,166
Total Capital Funds		$12,942,781	$12,656,191
Total net assets		$15,535,478	$14,777,115
TOTAL LIABILITIES AND NET ASSETS		$101,672,838	$91,749,796

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 53

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$81,755,623	$79,627,485	$77,143,145
Federal Government and/or First Nations	$283,442	$10,550	$174,045
Other Alberta school authorities	$3,100	$3,000	$3,000
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$254,958	$251,639	$236,447
Instruction resource fees	$934,903	$804,565	$917,864
Transportation fees	$0	$0	$240
Other sales and services	$312,156	$125,500	$249,512
Investment income	$278,867	$69,000	$191,467
Gifts and donations	$90,383	$25,200	$75,383
Rentals of facilities	$178,977	$129,729	$141,066
Net school generated funds	$1,739,652	$815,000	$1,722,471
Gains on disposal of capital assets	$144,658	$0	$24,209
Amortization of capital allocations	$2,667,390	$2,645,500	$2,721,932
Total Revenues	$88,644,109	$84,507,168	$83,600,781
EXPENSES			
Certificated salaries	$44,689,552	$44,911,439	$42,398,275
Certificated benefits	$4,843,410	$4,965,867	$4,425,585
Uncertificated salaries and wages	$15,095,362	$14,831,281	$14,325,513
Uncertificated benefits	$2,856,641	$2,953,809	$2,856,373
Services, contracts and supplies	$14,101,492	$13,164,318	$12,925,940
Net school generated funds	$1,739,651	$815,000	$1,722,471
Capital and debt services			
Amortization of capital assets			
Supported	$2,667,390	$2,645,500	$2,721,932
Unsupported	$1,379,457	$1,242,588	$1,404,535
Total Amortization of capital assets	$4,046,847	$3,888,088	$4,126,467
Interest on capital debt			
Supported	$508,453	$580,000	$585,817
Unsupported	$0	$0	$0
Total Interest on capital debt	$508,453	$580,000	$585,817
Other interest charges	$4,338	$4,750	$2,630
Losses on disposal of capital assets	$0	$0	$2,208
Total Expenses	$87,885,746	$86,114,552	$83,371,279
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$758,363	($1,607,384)	$229,502
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$758,363	($1,607,384)	$229,502

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$758,363	$229,502
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($2,667,390)	($2,721,932)
Total amortization expense	$4,046,847	$4,126,467
Gains on disposal of capital assets	($144,658)	($24,209)
Losses on disposal of capital assets	$0	$2,208
Changes in accrued accounts:		
Accounts receivable	($2,683,231)	$3,915,234
Prepaids and other current assets	($132,498)	$322,051
Long term accounts receivable	$0	$0
Long term investments	($15,307)	($49,934)
Payables and accrued liabilities	$1,844,730	($635,972)
Deferred revenue	($434,397)	$694,646
Employee future benefit expense (recovery)	($22,061)	$72,739
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$550,398	$5,930,800
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($11,557,642)	($7,842,858)
Equipment	($593,338)	($418,275)
Vehicles	($139,866)	($515,423)
Net proceeds from disposal of capital assets	$161,585	$36,500
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($12,129,261)	($8,740,056)
C. FINANCING ACTIVITIES		
Capital allocations	$10,186,401	$6,991,790
Issue of long term debt	$0	$0
Repayment of long term debt	($803,814)	($871,179)
Add back: supported portion	$803,814	$871,179
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$10,186,401	$6,991,790
Net sources (uses) of cash during year	($1,392,462)	$4,182,534
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$6,681,660	$2,499,126
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$5,289,198	$6,681,660

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 53

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$14,777,115	$11,505,025	$686,852	$2,585,238	$2,024,351	$300,000	($617,390)	$1,166	$6,241	$55,000	$20,870	$795,000	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$14,777,115	$11,505,025	$686,852	$2,585,238	$2,024,351	$300,000	($617,390)	$1,166	$6,241	$55,000	$20,870	$795,000	$0	$0
Excess(def) of revenue over expenses	$758,363		$758,363											
Board funded capital transactions		$846,742	$0	($846,742)	$0	($399,271)	$0	($184,672)	$0	($84,460)	$0	($178,339)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($4,046,847)	$4,046,847											
Amortization of capital allocations		$2,667,390	($2,667,390)											
Disposal of unsupported capital assets	$0	($16,924)	$0	$16,924		$10,853		$6,071		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($2,616,078)	$2,616,078	$381,554		$867,795		$279,764		$1,086,965		$0	
Net transfers from operating reserves			$2,329,140	($2,329,140)	($1,051,511)		($318,520)		($129,460)		($829,649)		$0	
Net transfers to capital reserves			($1,666,047)	$1,666,047		$388,418		$318,520		$129,460		$829,649		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$15,535,478	$10,955,386	$871,687	$3,708,405	$1,354,394	$300,000	($68,115)	$141,085	$156,545	$100,000	$278,186	$1,446,310	$0	$0

School Jurisdiction Code: 53

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006
(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$2,400,596	$61,598,905
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$2,400,596	$61,598,905
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$9,859,931	
	Infrastructure & Transportation-School/Modular Project Capital *	$0	
	Other Government of Alberta	$75,000	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$80,137	
Other capital grants and donations		$152,282	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$19,050	
Donated capital assets (amortizable, @ fair market value)			$192,354
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$803,814
Expended capital allocations - current year		($11,444,105)	$11,444,105
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$2,667,390
Balance at August 31, 2006		$1,142,892	$71,371,788

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* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Education for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 10%
Vehicles & Buses	10% and 20%
Equipment & Furnishings	10% and 20%
Playground Equipment	5%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset. No amortization is recorded in the year that an asset is acquired.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by the contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Chinook's Edge School Division No. 73 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan (LAPP) and in a multi-employer senior management registered pension plan (SiPP), and does not report on any unfunded liabilities. The expense for these pension plans is equivalent to the annual employer contributions of $542,872 for LAPP and $29,669 for SiPP for the year ended August 31, 2006. As at December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency of $1,288,924,000).

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

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g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Division or externally, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k) Employee Future Benefits

The Division accrues its obligations under employee future benefit plans and expenses the related costs. The financial impact on the Division for the 2005/2006 school year was an accrual of $130,100 (2004/2005 $152,161).

l) Investments

Short term investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education	3,075,749	$143,049
Alberta Infrastructure and Transportation	83,441	1,484,265
Alberta Finance	236,344	274,923
Other Province of Alberta	20,713	15,936
Federal Government	699,555	1,026,855
Alberta Municipalities	8,436	11,074
Other Alberta School Jurisdictions	43,673	592
Olds College	1,364,936	0
Other	422,445	315,367
Total	**$5,955,292**	**$3,272,061**

4. BANK INDEBTEDNESS

The Division has an authorized line of credit in the amount of $5,000,000 that bears interest at the Community Savings prime rate less 1.0% and is secured by a general security agreement. There was a balance outstanding on the line of credit at August 31, 2006 of nil (2005 - nil). Bank indebtedness is monitored throughout the year to ensure compliance with Section 183(1) of the School Act. This Section requires that total borrowing cannot exceed total receivables.

	2006	2005
Accounts Receivable	$5,955,292	$3,272,061
Less: Bank Indebtedness	0	0
Allowable Bank Indebtedness	**$5,955,292**	**$3,272,061**

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	2005
Alberta Education	$0	$0
Alberta Infrastructure and Transportation	0	0
Alberta Finance	236,344	274,923
Other Province of Alberta	5,182	9,850
Federal Government	33,265	0
Alberta Municipalities	29,025	0
Other Alberta School Jurisdictions	0	0
Other Trade Payables and Accrued Liabilities	4,596,463	2,770,776
Total	**$4,900,279**	**$3,055,549**

6. DEFERRED REVENUE

	2006	2005
Family Wellness Program Funding	$19,101	$17,746
Alberta Initiative for School Improvement	232,131	72,166
Infrastructure Maintenance Program (formerly BQRP)	1,094,352	1,085,254
Block Modernization Funding	0	458,655
2004-2005 Video Conferencing Grant	0	60,000
2004-2005 Social Studies Resource Grant	137,698	248,000
Other	25,017	875
Total	**$1,508,299**	**$1,942,696**

7. OTHER REVENUE FROM ALBERTA EDUCATION

	2006	2005
2004-2005 Microsoft license rebate	0	8,885
Sun Ray Project	0	116,000
Stabilization funding	263,550	0
One-time social studies resources funding	110,303	0
Lease funding	218,867	0
Transportation fuel funding	359,702	0
Total	**$952,422**	**$124,855**

8. TRUST ASSETS AND LIABILITIES

	2006	2005
Scholarship Trusts	$776,480	$768,269
ECS Casino Funds – received on amalgamation	10,124	10,524
DARE	0	11,368
Deferred Salary Leave Plan	61,167	0
Insurance Proceeds	0	18,787
Habitat Renewal	0	4,301
Total	$847,771	$813,249

9. LONG TERM DEBT

Debenture Debt – Supported

The debenture debt bears interest at rates varying between 7.375% and 12.0%. The debenture debt is fully supported by Alberta Finance. The current portion of the long-term consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	2006	2005
Principal balance with interest rates ranging from 7.375% to 12.0%.	$5,083,757	$5,887,571
Less: Current portion	794,861	803,814
	$4,288,896	$5,083,757

Principal repayments are estimated as follows:

2007	$794,861
2008	783,728
2009	760,497
2010	706,747
2011	671,747
	3,717,581
Due after five years	1,366,176
	$5,083,757

Capital Leases – Unsupported
There are no capital leases currently held by the jurisdiction.

10. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully supported debenture principal repayments.

12. COMMITMENTS

Building Projects
The jurisdiction is committed to further capital expenditures for the new Didsbury High School of approximately $193,211 (2005 - $7,010,464), for the modernization and addition of River Valley Elementary School of approximately $66,638 (2005 - $659,577), for the modernization and addition of John Wilson Elementary School $12,102 (2005 – Nil), and for the construction of a new bus maintenance facility $727,425 (2005 – Nil). In addition, the jurisdiction, in a joint venture with Olds College, is committed to further capital expenditures for the construction of four facilities at Olds College of approximately $11,250,979 (2005 – Nil). These costs will be fully funded by the capital allocations from Alberta Education, Alberta Advanced Education, Chinook's Edge, Olds College, Mountain View County, and the Town of Olds.

Premise Lease
The Division has entered into various premise lease agreements with estimated annual payments as follows:

2007	$294,576
2008	26,130
2009	0
2010	0
2011	0

13. CONTINGENCIES

The School Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

The School Division has been named in a policy grievance regarding the setting of the school calendar. As the likelihood of the outcome and potential damages, if any, ensuing from this grievance is not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with this grievance.

The School Division has been named as a defendant in two lawsuits whereby the plaintiffs are seeking minor damages. As the likelihood of the outcome and potential damages, if any, ensuing from these lawsuits are not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with these lawsuits.

The School Division is subject to a number of small insurance claims, the outcome of which is not determinable as at the date of reporting. As these claims are covered by insurance, no provision has been made in the financial statements for any costs associated with them.

14. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school divisions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The Chinook's Edge School Division No. 73 had related party transactions for the year ended August 31, 2006 recorded on the Statement of Revenues and Expenses and Statement of Financial Position, at amount of consideration agreed upon between the related parties.

	Balances		Transactions	
2005-2006	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta:				
Education	$ 3,075,749	$	$ 80,057,099	$ 0
Infrastructure & Transportation	83,441	0	893,461	0
Finance	236,344	0	508,453	0
Health & Wellness	0	54,081	0	193,368
Human Resources/Employment	0	0		0
Other Gov't of Alberta departments	0	0	296,610	0
Other:				
Health authorities	0	0	0	115,251
Post-secondary institutions	1,364,936	0	0	0
Other Alberta school jurisdictions	43,673	47,625	128,716	391,028
Other related parties	0	0	0	0
TOTAL 2005-2006	$4,804,143	$101,706	$81,884,339	$699,647
TOTAL 2004-2005	$1,902,829	$ 26,233	$77,251,988	$575,294

15. ECONOMIC DEPENDANCE ON RELATED THIRD PARTY

Chinook's Edge School Division No. 73's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

16. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

17. COMPARATIVE FIGURES

The Budget 2006 and Actual 2005 comparative figures have been reclassified where necessary to conform to Actual 2006 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 53

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$80,057,099	$62,885,597	$7,894,597	$5,935,145	$2,940,162	$401,598
(2) **Alberta Infrastructure & Transportation**	$893,461	$216,429	$677,032			
(3) **Alberta Finance**	$508,453		$508,453			$0
(4) **Other - Government of Alberta**	$296,610	($2,490)	$11,800	$0	$0	$287,300
(5) **Federal Government and/or First Nations**	$283,442	$73,349	$1,878	$0	$0	$208,215
(6) **Other Alberta school authorities**	$3,100	$0	$0	$0	$0	$3,100
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$254,958	$0	$0	$0	$0	$254,958
(9) **Instruction resource fees**	$934,903	$934,903				
(10) **Transportation fees**	$0			$0		
(11) **Other sales and services**	$312,156	$123,541	$6,147	$182,361	$107	$0
(12) **Investment income**	$278,867	$219,833	$59,034	$0	$0	$0
(13) **Gifts and donations**	$90,383	$90,383	$0	$0		$0
(14) **Rentals of facilities**	$178,977	$41,134	$137,843	$0	$0	$0
(15) **Net school generated funds**	$1,739,652	$1,739,652			$0	
(16) **Gains on disposal of capital assets**	$144,658	$14,647	$116,011	$14,000	$0	$0
(17) **Amortization of capital allocations**	$2,667,390	$90,831	$2,572,212	$4,347		$0
(18) **TOTAL REVENUES**	$88,644,109	$66,427,809	$11,985,007	$6,135,853	$2,940,269	$1,155,171
EXPENSES						
(19) **Certificated salaries**	$44,689,552	$44,154,295			$494,484	$40,773
(20) **Certificated benefits**	$4,843,410	$4,793,268			$47,377	$2,765
(21) **Uncertificated salaries and wages**	$15,095,362	$8,338,865	$3,215,370	$1,636,497	$1,141,523	$763,107
(22) **Uncertificated benefits**	$2,856,641	$1,564,162	$681,065	$222,886	$243,886	$144,642
(23) **SUB - TOTAL**	$67,484,965	$58,850,590	$3,896,435	$1,859,383	$1,927,270	$951,287
(24) **Services, contracts & supplies**	$14,101,492	$5,843,031	$4,140,108	$3,185,157	$729,312	$203,884
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$1,739,651	$1,739,651				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$2,667,390	$90,831	$2,572,212	$4,347	$0	$0
(28) Unsupported	$1,379,457	$381,554	$320,728	$600,857	$76,318	$0
(29) Total Amortization	$4,046,847	$472,385	$2,892,940	$605,204	$76,318	$0
Interest on capital debt						
(30) Supported	$508,453	$0	$508,453	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$4,338	$411	$0	$0	$3,927	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$87,885,746	$66,906,068	$11,437,936	$5,649,744	$2,736,827	$1,155,171
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$758,363	($478,259)	$547,071	$486,109	$203,442	$0

School Jurisdiction Code: 53

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,757,904
Base Instruction (Gr 1-12)	$51,812,631
Outreach Programs	$312,120
Home Education	$3,816
Differential Cost Funding *	$13,822,218
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$82,753
Provincial Priority Targeted Funding	
Class Size Initiative	$2,274,735
Student Health Initiative (SHI)	$273,381
Alberta Initiative for School Improvement (AISI)	$1,191,486
High Speed Networking	$271,756
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	
Other Alberta Education Revenues (describe): Transportation Fuel Funding Initiative, Plant Operations & Maintenance, Social st	$8,254,299
Total Alberta Education Revenues	$80,057,099

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 53

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,726,833	$2,489,830	$521,388		$0	$21,307	$5,759,358
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,996,315	$972,380	$69,233		$0		$3,037,928
ECS Program Unit (PUF)	$130,965	$523,779	$176,238		$0		$830,982
Severe Disabilities (Gr 1-12)	$1,050,975	$3,327,246	$676,022		$0		$5,054,243
English as a Second Language	$605	$13,064	$5,209		$0		$18,878
French Language Program & Francisation (all jurisdictions)	$562,145	$24,665	$26,768		$0		$613,578
First Nations, Metis and Inuit Education (ECS - Gr 12)	$683	$0	$11,028		$0		$11,711
Home Education	$8,033	$0	$648		$0		$8,681
Institutional Programs	$56,228	$5,945	$3,242		$0		$65,415
Alberta Initiative for School Improvement	$792,837	$203,258	$200,104	$154,548	$0		$1,350,747
Student Health Initiative	$41,000	$160,120	$72,261		$0		$273,381
High Speed Networking			$236,066		$0		$236,066
Class Size	$2,274,735	$0	$0	$0	$0		$2,274,735
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$39,306,209	$2,182,741	$2,189,796	$1,500,481	$0	$2,191,138	$47,370,365
TOTAL EXPENSES	$48,947,563	$9,903,028	$4,188,003	$1,655,029	$0	$2,212,445	$66,906,068

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	24.9	46.0
ECS Program Unit (PUF)	1.6	25.2
Severe Disabilities (Gr 1-12)	13.0	155.6

Note:

[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 53

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		$87,885,746

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$3,515,430

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$3,515,430**
Less: 2005/2006 Board and System Administration expenses		-$2,736,827
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$778,603

School Jurisdiction Code: 53

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$1,121,954
Source of Net School Generated Funds:				
Fundraising activities	$1,671,410	$1,082,807	$588,603	
Student fees (Non-Instructional) (Note 2)	$1,022,687	$0	$1,022,687	
Donations and grants to schools	$158,881	$0	$158,881	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$2,852,978	$1,082,807		$1,770,171
Net SGF Available for Spending				$2,892,125
Application of Net School Generated Funds:				
Extra-curricular activities			$1,331,427	
School site beautification			$9,771	
Field Trips			$384,036	
Equipment			$9,165	
Family literacy and other community resources			$5,252	
Other (describe):			$0	
Net SGF Expended (Note 3)				$1,739,651
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$1,152,474

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 53

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$2,245,540	$658,871	$0	$36,801	$274,158	$3,215,370		$3,215,370
Uncertificated benefits	$482,878	$134,130	$0	$7,189	$56,868	$681,065		$681,065
Sub-total Remuneration	$2,728,418	$793,001	$0	$43,990	$331,026	$3,896,435		$3,896,435
Contracted Services	$31,725	$120,143	$9,676	$653,240	$638	$815,422		$815,422
Supplies	$388,962	$811,925	$0	$0	$33,124	$1,234,011		$1,234,011
Electricity			$1,142,866			$1,142,866		$1,142,866
Natural Gas/Heating Fuel			$754,279			$754,279		$754,279
Sewer and Water			$143,809			$143,809		$143,809
Telecommunications			$32,604			$32,604		$32,604
Insurance					$17,117	$17,117		$17,117
Amortization of capital assets								
Supported							$2,572,212	$2,572,212
Unsupported						$320,728		$320,728
Total Amortization						$320,728	$2,572,212	$2,892,940
Interest on capital debt								
Supported							$508,453	$508,453
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$3,149,105	$1,725,069	$2,083,234	$697,230	$381,905	$8,357,271	$3,080,665	$11,437,936
SQUARE METRES								
School Buildings								122,863.0
Non School Buildings								2,917.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 53

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2005-200(

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Brassard, Roy	1.0	$14,626	$947	$564			$16,137	$13,292
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Archibald, Penny	1.0	$9,651	$1,531	$144			$11,326	$8,268
Name	Butler, Colleen	1.0	$14,801	$2,218	$1,008			$18,027	$13,101
Name	Cooper, Sherry	1.0	$12,026	$4,044	$168			$16,238	$8,640
Name	Fisher, Ron	1.0	$13,001	$3,665	$996			$17,662	$13,036
Name	Huelsman, Connie	1.0	$12,451	$4,207	$108			$16,766	$7,903
Name	Johnson, Gord	1.0	$8,176	$3,909	$720			$12,805	$5,268
Name	Swainson, Jackie	1.0	$12,801	$4,163	$384			$17,348	$8,071
Name	Wagstaff, Doug	1.0	$11,401	$452	$408			$12,261	$11,212
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$108,934*	*$25,136*	*$4,500*			*$138,570*	*$88,791*
Superintendent	Gibbons, Jim	1.0	$150,512	$24,678	$0	$0	$0	$175,190	$17,900
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Dersch, Terresa	0.9	$90,363	$16,744	$0	$0	$0	$107,107	$3,514
Board Secretary	Moltzan, Bruce	0.0	$3,877	$902	$0	$0	$0	$4,779	$49
Board Treasurer	Roy Susan	1.0	$89,440	$22,429	$0	$0	$0	$111,869	$6,057
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		593.4	$44,539,040	$4,818,732	$0	$0	$0	$49,357,772	
Uncertificated Salaries & Wages		675.0	$14,798,248	$2,791,430	$0	$0	$0	$17,589,678	
TOTALS			**$59,780,414**	**$7,700,051**	**$4,500**	**$0**	**$0**	**$67,484,965**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 4208

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Christ the Redeemer Catholic Separate Regional Division No. 3
Legal Name of School Jurisdiction

46 Elma Street West, Okotoks, Alberta, T1S 1J7
Mailing Address

403-938-2659 **403-938-4575**
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The Christ the Redeemer Catholic Separate Regional Division No. 3 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mary Stengler	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Peter Doyle	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Dennis Schneider	"ORIGINAL SIGNED"
Name	**Signature**

25-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 4208

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AUDITORS' REPORT

To: The Board of Trustees
Christ the Redeemer Catholic Separate Regional Division #3

We have audited the statement of financial position of Christ the Redeemer Catholic Separate Regional Division #3 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2006, and the results of its operations, changes in cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Catalyst LLP

HIGH RIVER, ALBERTA
NOVEMBER 2, 2006

CHARTERED ACCOUNTANTS

Member of
PKF
International

* Catalyst Chartered Accountants operates as a limited liability partnership

School Jurisdiction Code: 4208

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$1,976,271	$2,833,407
Accounts receivable (net after allowances)		$2,808,016	$3,454,681
Prepaid expenses		$214,316	$527,769
Other current assets		$329,529	$0
Total current assets		$5,328,132	$6,815,857
School generated assets		$473,216	$403,709
Trust assets		$59,092	$46,133
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$370,796	$370,796
Buildings	$65,035,891		
Less: accumulated amortization	($16,689,753)	$48,346,138	$42,803,721
Equipment	$7,454,569		
Less: accumulated amortization	($3,897,087)	$3,557,482	$2,824,069
Vehicles	$202,179		
Less: accumulated amortization	($105,561)	$96,618	$72,591
Total capital assets		$52,371,034	$46,071,177
TOTAL ASSETS		$58,231,474	$53,336,876
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,752,604	$3,341,897
Deferred revenue		$256,558	$522,111
Deferred capital allocations		$933,249	$376,536
Current portion of all long term debt		$718,954	$804,624
Total current liabilities		$3,661,365	$5,045,168
School generatedliabilities		$473,216	$403,709
Trust liabilities		$59,092	$46,133
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$5,372,319	$5,865,154
Less: Current portion of supported debt		($481,368)	($492,834)
Unsupported: Debentures and Capital Loans		$58,608	$109,275
Capital Leases		$0	$0
Mortgages		$178,978	$202,515
Less: Current portion of unsupported debt		($237,586)	($311,790)
Other long term liabilities		$0	$0
Unamortized capial allocations		$45,948,387	$38,754,858
Total long term liabilities		$51,371,646	$44,577,020
TOTAL LIABILITIES		$55,033,011	$49,622,188
NET ASSETS			
Unrestricted net assets		$45,560	$126,567
Operating Reserves		$1,887,310	$1,982,306
Accumulated Operating Surplus (Deficit)		$1,932,870	$2,108,873
Investment incapital assets		$812,743	$1,139,376
Capital Reseves		$452,850	$466,439
Total Caital Funds		$1,265,593	$1,605,815
Total net assets		$3,198,463	$3,714,688
TOTAL LIABILITIES AND NET ASSETS		$58,231,474	$53,336,876

Note: Input "(Ristated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 4208

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$46,370,790	$42,596,553	$40,782,117
Federal Government and/or First Nations	$368,183	$60,030	$71,943
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$62,925	$79,400	$65,498
Instruction resource fees	$531,313	$381,212	$480,636
Transportation fees	$0	$0	$0
Other sales and services	$245,306	$24,000	$69,166
Investment income	$178,376	$40,000	$72,554
Gifts and donations	$135,409	$0	$83,486
Rentals of facilities	$31,019	$85,000	$78,574
Net school generated funds	$715,641	$600,000	$900,390
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$2,745,922	$2,200,000	$2,396,420
Total Revenues	$51,384,884	$46,066,195	$45,000,784
EXPENSES			
Certificated salaries	$23,050,541	$21,949,639	$19,182,302
Certificated benefits	$2,639,583	$2,256,097	$2,077,635
Uncertificated salaries and wages	$7,765,683	$7,145,819	$6,792,508
Uncertificated benefits	$1,926,482	$1,634,201	$1,510,191
Services, contracts and supplies	$11,624,856	$10,225,599	$9,407,958
Net school generated funds	$715,641	$600,000	$900,390
Capital and debt services			
Amortization of capital assets			
Supported	$2,745,922	$2,200,000	$2,396,420
Unsupported	$898,621	$700,000	$872,870
Total Amortization of capital assets	$3,644,543	$2,900,000	$3,269,290
Interest on capital debt			
Supported	$518,946	$500,000	$565,326
Unsupported	$14,834	$16,000	$7,434
Total Interest on capital debt	$533,780	$516,000	$572,760
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$51,901,109	$47,227,355	$43,713,034
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($516,225)	($1,161,160)	$1,287,750
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	($516,225)	($1,161,160)	$1,287,750

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	($516,225)	$1,287,750
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($2,745,922)	($2,396,420)
Total amortization expense	$3,644,543	$3,269,290
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$646,665	($878,034)
Prepaids and other current assets	($16,076)	$515,435
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,589,293)	$1,241,688
Deferred revenue	($265,553)	$230,661
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($841,861)	$3,270,370
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($8,134,008)	($6,692,470)
Equipment	($1,748,033)	($727,268)
Vehicles	($62,359)	($14,825)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($9,944,400)	($7,434,563)
C. FINANCING ACTIVITIES		
Capital allocations	$10,003,330	$6,394,924
Issue of long term debt	$0	$0
Repayment of long term debt	($567,039)	($564,897)
Add back: supported portion	$492,834	$492,834
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$9,929,125	$6,322,861
Net sources (uses) of cash during year	($857,136)	$2,158,668
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,833,407	$674,739
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$1,976,271	$2,833,407

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 4208

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$3,714,688	$1,139,376	$126,567	$2,448,745	$1,695,581	$438,148	$0	$0	$286,725	$28,291	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$3,714,688	$1,139,376	$126,567	$2,448,745	$1,695,581	$438,148	$0	$0	$286,725	$28,291	$0	$0	$0	$0
Excess(def) of revenue over expenses	($516,225)		($516,225)											
Board funded capital transactions		$497,784	($435,425)	($62,359)	$0	($25,855)	$0	($36,504)	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,644,543)	$3,644,543											
Amortization of capital allocations		$2,745,922	($2,745,922)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$74,204	($74,204)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$94,996	($94,996)	($94,996)		$0		$0		$0		$0	
Net transfers to capital reserves			($48,770)	$48,770		$12,266		$36,504		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$3,198,463	$812,743	$45,560	$2,340,160	$1,600,585	$424,559	$0	$0	$286,725	$28,291	$0	$0	$0	$0

School Jurisdiction Code: 4208

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$376,536	$38,754,858
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$376,536	$38,754,858
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$2,323,666	
	Infrastructure & Transportation-School/Modular Project Capital *	$7,527,938	
	Other Government of Alberta	$34,482	
	Federal Government and/or First Nations	$0	
	Other sources	$73,843	
Interest earned on provincial government capital allocations		$43,401	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$492,834
Expended capital allocations - current year		($9,446,617)	$9,446,617
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$2,745,922
Balance at August 31, 2006		$933,249	$45,948,387

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

CHRIST THE REDEEMER CATHOLIC SEPARATE
REGIONAL DIVISION No. 3
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2006

1. AUTHORITY AND PURPOSE

The School Jurisdiction formed on the amalgamation of Foothills No.346, Drumheller No.25 and Assumption No.50 in 1995, delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3. The School Jurisdiction now includes Canmore, Okotoks, High River, Strathmore, Drumheller, Brooks, Oyen and surrounding areas. The School Jurisdiction receives instruction and support allocations under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate and fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b. Capital Assets

Capital assets are recorded at cost, and amortized over their estimated useful lives on a straight line basis, at the following rates:

Building and Site Improvements	- 2.5% to 4%
Equipment and furnishings	- 10% to 20%
Vehicles	- 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

2. SUMMARY OF ACCOUNTING POLICIES (Cont'd)

c. School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d. Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e. Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year. The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Christ the Redeemer Catholic Separate Regional Division does not make pension contributions for certificated staff. The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $415,117 for the year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency of $1,288,924,000). The school board also participates in a Supplemental Integrated Pension Plan for executive employees designated by the Board to be a member of the plan. The expense for the registered portion is $20,818 and for the non-registered portion $4,039 for the year ended August 31, 2006.

f. Inventories

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as inventories at the lower of cost or net realizable value.

g. Prepaid Expenses

Certain expenditures incurred before the close of the school year are for expenses attributable to a portion of the following year, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

h. Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i. Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k. Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the Regional Division at this time.

l. Investments

Short term investments are valued at the lower of cost or market. Long term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education	$ **1,259,833**	$ 282,106
Alberta Infrastructure and Transportation	-	1,518,593
Alberta Finance	**355,801**	387,483
Other Province of Alberta	**12,368**	13,200
Federal Government	**453,340**	488,544
First Nations	**72,000**	11,913
Alberta Municipalities	**623,284**	691,103
Other Alberta School Jurisdictions	-	-
Other	**31,390**	61,739
	$ **2,808,016**	$ 3,454,681

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime lending rate minus .5%. As of August 31, 2006 the effective interest rate was 5.5%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2006.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	2005
Alberta Education	$ **641,397**	$ 700,715
Alberta Finance	**355,801**	387,483
Alberta Municipalities	-	4,488
Other Alberta School Jurisdictions	**130,763**	1,690
Other Trade Payables and Accrued Liabilities	**624,643**	2,247,521
	$ **1,752,604**	$ 3,341,897

6. DEFERRED REVENUE

	2006	2005
School and Related Fees	$ 37,234	$ 34,857
Family School Liaison	9,733	8,667
Learning Resources Credit for 06/07 Purchases	6,582	10,687
Infrastructure Maintenance Renewal (Education)	203,009	313,310
Operations & Maintenance Support	-	78,009
Video Conferencing	-	60,000
Other		16,581
	$ 256,558	$ 522,111

7. EXTERNAL SERVICES

External Services expenses and revenues relate to Family School Liaison services. The revenue from Alberta Education is funded through contributions from Student Health Initiative funds.

8. TRUST ASSETS AND LIABILITIES

Trust assets and liabilities represent cash that is held in trust by the Regional Division for the following:

	2006	2005
Deferred Salary Leave Trust	44,341	30,891
Scholarship Trusts	14,751	15,242
	$ 59,092	$ 46,133

9. LONG-TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2006 - 2007	$ 481,368	$ 503,292	$ 984,660
2007 - 2008	470,118	457,222	927,340
2008 - 2009	470,118	412,248	882,366
2009 - 2010	449,718	367,275	816,993
2010 - 2011	445,143	324,438	769,581
2011 to maturity	3,055,854	1,172,959	4,228,813
	$ 5,372,319	$ 3,237,434	$ 8,609,753

Mortgages - unsupported

Mortgages - unsupported includes two mortgages with Community Savings on properties purchased for use as administration offices. Both mortgages bear interest at the bank's prime lending rate; 6.0% as of August 31, 2006, and are secured by a general security agreement covering all revenues of the jurisdiction and specific charges against the purchased properties. Although extended repayment terms have been accepted by the bank, both mortgages are repayable on demand and accordingly the entire balance on each has been classified as a current liability. Details of the two mortgages are as follows:

	2006	2005
Mortgage #1, repayable in equal monthly principal payments in the amount of $888 plus interest to Maturity.	$ 92,959	$ 108,6661
Mortgage #2, repayable in equal monthly principal payments in the amount of $450 plus interest to Maturity.	86,019	93,854
	178,978	202,515
Amounts included in current liabilities	178,978	202,515
	$ -	$ -

If the bank does not demand repayment sooner, principal payments due over the next five years and beyond would be as follows:

2006 - 2007	$ 16,056
2007 - 2008	16,056
2008 - 2009	16,056
2009 - 2010	16,056
2010 - 2011	16,056
2011 to maturity	98,698
	$ 178,978

Capital Loan - unsupported

The capital loan - unsupported is comprised of a demand installment loan with Community Savings taken to finance renovations to the administration office. The loan bears interest at the bank's prime lending rate, 6.0% as of August 31, 2006, and is covered under the same security as the mortgages - unsupported. Although extended repayment terms have been accepted by the bank, because the loan is repayable on demand, the entire balance has been classified as a current liability. Details of the loan are as follows:

	2006	2005
Demand installment loan, repayable in Equal monthly principal payments in The amount of $4,865plus interest, to August 1, 2007	$ 58,608	$ 109,275
Amount included in current liabilities	58,608	109,275
Long-term portion	$ -	$ -

If the bank does not demand payment sooner, principal payments due over the next year will be as follows: 2007 $58,608

10. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal payments.

12. COMMITMENTS AND CONTINGENCIES

a. Capital Projects

Projects approved for approximately $25,316,523 as of August 31, 2006 are scheduled for completion between 2006 and 2008. Funding received to date is approximately $14,387,956 with the additional amounts to be received from Alberta Education as required. Projects scheduled for completion are as follows:
Projects pre-approved for completion dates between 2006 and 2008:

Canmore K – 12 School	$ 10,925,836
Okotoks Senior High School	13,086,120
Good Shepherd Modular Classrooms	103,449
Movement of 6 Portables	210,000
Good Shepherd School and	-
St. Mary's School mould remedial work	861,730
Canmore – Link 3 Atco portables	129,388
	$ 25,316,523

b. Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

c. Office Lease

The jurisdiction is committed to lease office space for a term of three years ending on the 30th day of June, 2008. The annual rent amounts to $92,905 inclusive of GST.

d. Contingency

As at year end, the Division has been named in an injury related legal claim. While the outcome of this claim cannot be determined, the full amount of any judgment or settlement will be covered by the Division's insurance. There is no deductible that is required to be paid on the Division's insurance policy.

13. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		**Transactions**	
2005 - 2006	Assets (@ cost or net realizable value)	Liabilities (@ fair value)	Revenues	Expenses
Government of Alberta				
Education	1,259,833	641,397	45,164,686	0
Infrastructure & Transportation	0	0	591,517	0
Finance	355,801	355,801	518,946	0
Health & Wellness	5,772	0	32,275	389,039
Human Resources/Employment	6,800	0	6,800	0
Other Gov't of Alberta departments	0	0	56,566	0
Other				
Health authorities	0	0	0	68,368
Post-secondary institutions	0	0	0	4,258
Other Alberta school jurisdictions	0	130,763	0	198,004
Other related parties	0	0	0	0
Total 2005 - 2006	$1,628,206	$1,127,961	$46,370,790	$659,669
Total 2004 - 2005	N/A	N/A	N/A	N/A

14. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The jurisdiction's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

15. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 14, 2005. It is presented for information purposes only.

16. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2006 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 4208

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$45,164,686	$37,140,734	$3,545,834	$2,991,474	$1,360,104	$126,540
(2) **Alberta Infrastructure & Transportation**	$591,517	$0	$591,517			
(3) **Alberta Finance**	$518,946		$518,946			$0
(4) **Other - Government of Alberta**	$95,641	$63,366	$0	$0	$0	$32,275
(5) **Federal Government and/or First Nations**	$368,183	$368,183	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$62,925	$14,657	$0	$0	$0	$48,268
(9) **Instruction resource fees**	$531,313	$531,313				
(10) **Transportation fees**	$0			$0		
(11) **Other sales and services**	$245,306	$207,852	$0	$37,454	$0	$0
(12) **Investment income**	$178,376	$178,376	$0	$0	$0	$0
(13) **Gifts and donations**	$135,409	$135,409	$0	$0		$0
(14) **Rentals of facilities**	$31,019	$0	$31,019	$0	$0	$0
(15) **Net school generated funds**	$715,641	$715,641			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$2,745,922	$0	$2,745,922	$0		$0
(18) **TOTAL REVENUES**	$51,384,884	$39,355,531	$7,433,238	$3,028,928	$1,360,104	$207,083
EXPENSES						
(19) **Certificated salaries**	$23,050,541	$22,812,986			$237,555	$0
(20) **Certificated benefits**	$2,639,583	$2,608,605			$30,978	$0
(21) **Uncertificated salaries and wages**	$7,765,683	$5,401,342	$1,571,325	$80,085	$548,160	$164,771
(22) **Uncertificated benefits**	$1,926,482	$1,358,476	$375,268	$17,406	$141,838	$33,494
(23) **SUB - TOTAL**	$35,382,289	$32,181,409	$1,946,593	$97,491	$958,531	$198,265
(24) **Services, contracts & supplies**	$11,624,856	$6,668,144	$2,155,430	$2,410,851	$381,613	$8,818
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$715,641	$715,641				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$2,745,922	$0	$2,745,922	$0	$0	$0
(28) Unsupported	$898,621	$880,649	$0	$0	$17,972	$0
(29) Total Amortization	$3,644,543	$880,649	$2,745,922	$0	$17,972	$0
Interest on capital debt						
(30) Supported	$518,946	$0	$518,946	$0	$0	$0
(31) Unsupported	$14,834	$7,954	$4,892	$0	$1,988	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$51,901,109	$40,453,797	$7,371,783	$2,508,342	$1,360,104	$207,083
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	($516,225)	($1,098,266)	$61,455	$520,586	$0	$0

School Jurisdiction Code: 4208

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$965,448
Base Instruction (Gr 1-12)	$29,756,202
Outreach Programs	$0
Home Education	$799,223
Differential Cost Funding *	$11,469,518
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$62,342
Provincial Priority Targeted Funding	
Class Size Initiative	$895,027
Student Health Initiative (SHI)	$165,018
Alberta Initiative for School Improvement (AISI)	$744,125
High Speed Networking	$165,084
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$142,699
Other Alberta Education Revenues (describe):	$0
Total Alberta Education Revenues	$45,164,686

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilities/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 4208

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,464,471	$2,610,241	$688,050		$0	$0	$5,762,762
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,548,655	$935,133	$247,212		$0		$2,731,000
ECS Program Unit (PUF)	$0	$648,574	$469,949		$0		$1,118,523
Severe Disabilities (Gr 1-12)	$156,808	$1,840,861	$106,597		$0		$2,104,266
English as a Second Language	$97,865	$55,376	$3,548		$0		$156,789
French Language Program & Francisation (all jurisdictions)	$572,347	$0	$58,386		$0		$630,733
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$342,900	$62,315	$425,873		$0		$831,088
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$296,016	$556,826	$18,615	$0	$0		$871,457
Student Health Initiative	$0	$50,492	$10,031		$0		$60,523
High Speed Networking			$175,887		$0		$175,887
Class Size	$895,027	$0	$0	$0	$0		$895,027
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$19,047,502	$0	$3,757,246	$706,750	$0	$1,604,244	$25,115,742
TOTAL EXPENSES	$25,421,591	$6,759,818	$5,961,394	$706,750	$0	$1,604,244	$40,453,797

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	19.2	37.6
ECS Program Unit (PUF)	0.0	24.7
Severe Disabilities (Gr 1-12)	2.0	67.4

Note:
[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.
[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 4208

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$51,901,109**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,076,044
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$2,076,044**
Less: 2005/2006 Board and System Administration expenses		-$1,360,104
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$715,940

School Jurisdiction Code: 4208

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$403,709
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,120,811	$650,006	$470,805	
Student fees (Non-Instructional) (Note 2)	$445,695	$156,057	$289,638	
Donations and grants to schools	$30,205	$24,715	$5,490	
Other (describe): Scholarships	$52,962	$3,747	$49,215	
Net Additions to SGF	$1,649,673	$834,525		$815,148
Net SGF Available for Spending				$1,218,857
Application of Net School Generated Funds:				
Extra-curricular activities			$610,426	
School site beautification			$0	
Field Trips			$3,723	
Equipment			$67,579	
Family literacy and other community resources			$15,435	
Other (describe): Scholarships			$48,478	
Net SGF Expended (Note 3)				$745,641
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$473,216

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 4208

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$892,985	$442,281	$0	$0	$236,059	$1,571,325		$1,571,325
Uncertificated benefits	$228,700	$95,213	$0	$0	$51,355	$375,268		$375,268
Sub-total Remuneration	$1,121,685	$537,494	$0	$0	$287,414	$1,946,593		$1,946,593
Contracted Services	$165,728	$174,861	$0	$530,977	$8,107	$879,673		$879,673
Supplies	$145,131	$184,171	$0	$92,050	$25,268	$446,620		$446,620
Electricity			$405,179			$405,179		$405,179
Natural Gas/Heating Fuel			$290,444			$290,444		$290,444
Sewer and Water			$49,496			$49,496		$49,496
Telecommunications			$20,918			$20,918		$20,918
Insurance					$63,100	$63,100		$63,100
Amortization of capital assets								
Supported							$2,745,922	$2,745,922
Unsupported						$0		$0
Total Amortization						$0	$2,745,922	$2,745,922
Interest on capital debt								
Supported							$518,946	$518,946
Unsupported				$0		$4,892		$4,892
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$1,432,544	$896,526	$766,037	$623,027	$383,889	$4,106,915	$3,264,868	$7,371,783
SQUARE METRES								
School Buildings								55,546.8
Non School Buildings								1,012.2

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4208

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mary Stengler	1.0	$9,724	$2,029	$0			$11,753	$11,991
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Vijay Domingo	1.0	$6,830	$4,433	$0			$11,263	$5,759
Name	Paul Andrew	1.0	$5,557	$4,391	$0			$9,948	$2,444
Name	Amber Link	1.0	$5,672	$4,395	$0			$10,067	$1,361
Name	David Lunn	1.0	$5,557	$4,391	$0			$9,948	$699
Name	Dale Rolheiser	1.0	$5,557	$4,140	$0			$9,697	$2,433
Name	Ron Schreiber	1.0	$5,557	$3,277	$0			$8,834	$3,791
Name	Joanne Van Donzel	1.0	$6,946	$3,078	$0			$10,024	$7,023
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$51,400*	*$30,134*	*$0*			*$81,534*	*$35,501*
Superintendent	Peter Doyle	1.0	$125,005	$15,839	$0	$0	$0	$140,844	$14,513
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Ken Power	1.0	$94,487	$8,873	$0	$0	$0	$103,360	$1,707
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Dennis Schneider	1.0	$99,238	$24,014	$0	$0	$0	$123,252	$6,792
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		333.7	$22,925,536	$2,623,744	$0	$0	$0	$25,549,280	
Uncertificated Salaries & Wages		254.2	$7,520,558	$1,863,461	$0	$0	$0	$9,384,019	
TOTALS			**$30,816,224**	**$4,566,065**	**$0**	**$0**	**$0**	**$35,382,289**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 52

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CLEARVIEW SCHOOL DIVISION #71
Legal Name of School Jurisdiction

4704-55 ST. STETTLER, AB. T0C 2L2
Mailing Address

Phone (403) 742-3331 FAX (403) 742-1388
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CLEARVIEW SCHOOL DIVISION #71
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

KEN CHECKEL	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

RAY BATTOCHIO	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

GORDON MAJERAN	"ORIGINAL SIGNED"
Name	**Signature**

NOVEMBER 16,2006
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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AUDITORS' REPORT

To The Board of Trustees

Clearview School Division No. 71

We have audited the statement of financial position of the Clearview School Division No. 71 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Gitzel Krejci Dand Peterson
CHARTERED ACCOUNTANTS

Stettler, Alberta
November 1, 2006

School Jurisdiction Code: 52

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$5,018,444	$4,216,166
Accounts receivable (net after allowances)		$283,156	$863,171
Prepaid expenses		$179,245	$172,712
Other current assets		$237,619	$239,447
Total current assets		$5,718,464	$5,491,496
School generated assets		$252,817	$206,387
Trust assets		$294,154	$290,902
Long term accounts receivable		$0	
Long term investments		$0	$0
Capital assets			
Land		$1,287,117	$1,208,174
Buildings	$39,657,410		
Less: accumulated amortization	($16,373,996)	$23,283,414	$24,491,556
Equipment	$2,380,876		
Less: accumulated amortization	($1,171,741)	$1,209,135	$1,466,314
Vehicles	$5,427,172		
Less: accumulated amortization	($3,733,421)	$1,693,751	$2,109,966
Total capital assets		$27,473,417	$29,276,010
TOTAL ASSETS		$33,738,852	$35,264,795
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$812,540	$1,669,555
Deferred revenue		$385,053	$498,450
Deferred capital allocations		$556,088	$71,154
Current portion of all long term debt		$514,046	$514,046
Total current liabilities		$2,267,727	$2,753,205
School generated liabilities		$252,817	$206,387
Trust liabilities		$294,154	$290,902
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$3,611,633	$4,125,679
Less: Current portion of supported debt		($514,046)	($514,046)
Unsupported: Debentures and Capital Loans			$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$19,635,851	$20,256,701
Total long term liabilities		$23,280,409	$24,365,623
TOTAL LIABILITIES		$25,548,136	$27,118,828
NET ASSETS			
Unrestricted net assets		$1,434,544	$1,430,995
Operating Reserves		$2,020,443	$1,757,140
Accumulated Operating Surplus (Deficit)		$3,454,987	$3,188,135
Investment in capital assets		$4,225,933	$4,893,630
Capital Reserves		$509,796	$64,202
Total Capital Funds		$4,735,729	$4,957,832
Total net assets		$8,190,716	$8,145,967
TOTAL LIABILITIES AND NET ASSETS		$33,738,852	$35,264,795

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 52

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$23,269,924	$23,071,830	$22,633,657
Federal Government and/or First Nations	$2,523	$3,800	$2,596
Other Alberta school authorities	$0	$3,400	$20,661
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$195,669	$165,780	$148,001
Transportation fees	$16,275	$15,000	$11,860
Other sales and services	$572,888	$339,625	$494,385
Investment income	$163,018	$90,000	$100,641
Gifts and donations	$106,620	$16,000	$92,561
Rentals of facilities	$61,710	$50,000	$44,432
Net school generated funds	$171,285	$250,000	$286,348
Gains on disposal of capital assets	$24,596	$6,000	$33,780
Amortization of capital allocations	$1,397,286	$1,397,290	$1,381,481
Total Revenues	$25,981,794	$25,408,725	$25,250,403
EXPENSES			
Certificated salaries	$11,996,924	$12,127,645	$11,560,797
Certificated benefits	$1,288,089	$1,190,320	$1,235,299
Uncertificated salaries and wages	$4,716,293	$4,635,090	$4,460,684
Uncertificated benefits	$795,377	$758,755	$754,808
Services, contracts and supplies	$4,529,696	$4,384,485	$4,665,798
Net school generated funds	$171,285	$250,000	$286,348
Capital and debt services			
Amortization of capital assets			
Supported	$1,397,286	$1,397,290	$1,381,481
Unsupported	$655,661	$657,180	$564,955
Total Amortization of capital assets	$2,052,947	$2,054,470	$1,946,436
Interest on capital debt			
Supported	$386,434	$406,100	$436,837
Unsupported	$0	$0	$0
Total Interest on capital debt	$386,434	$406,100	$436,837
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$25,937,045	$25,806,865	$25,347,007
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$44,749	($398,140)	($96,604)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$44,749	($398,140)	($96,604)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$44,749	($96,604)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($1,397,286)	($1,381,481)
Total amortization expense	$2,052,947	$1,946,436
Gains on disposal of capital assets	($24,596)	($33,780)
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$580,015	$1,194,192
Prepaids and other current assets	($4,705)	($46,959)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($857,015)	$505,977
Deferred revenue	($113,397)	$175,470
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$280,712	$2,263,251
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($108,465)	
Buildings	($156,977)	($317,180)
Equipment	($33,390)	($286,300)
Vehicles	$0	($568,058)
Net proceeds from disposal of capital assets	$73,074	$33,780
Other (describe)		$0
Total sources (uses) of cash from Investing activities	($225,758)	($1,137,758)
C. FINANCING ACTIVITIES		
Capital allocations	$747,324	$267,181
Issue of long term debt	$0	$0
Repayment of long term debt	($514,046)	($515,217)
Add back: supported portion	$514,046	$515,217
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$747,324	$267,181
Net sources (uses) of cash during year	$802,278	$1,392,674
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,216,166	$2,823,492
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$5,018,444	$4,216,166

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006
(in dollars)

School Jurisdiction 52

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$8,145,967	$4,893,630	$1,430,995	$1,821,342	$774,020	$0	$844,689	$0	$138,431	$0	$0	$64,202	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$8,145,967	$4,893,630	$1,430,995	$1,821,342	$774,020	$0	$844,689	$0	$138,431	$0	$0	$64,202	$0	$0
Excess(def) of revenue over expenses	$44,749		$44,749											
Board funded capital transactions		$36,442	($36,442)	$0		$0	$0		$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,052,947)	$2,052,947											
Amortization of capital allocations		$1,397,286	($1,397,286)											
Disposal of unsupported capital assets	$0	($48,478)	($24,596)	$73,074		$0		$35,501		$0		$37,573		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($528,328)	$528,328	$216,862		$115,724		$109,421		$86,321		$0	
Net transfers from operating reserves			$265,025	($265,025)	($265,025)		$0		$0		$0		$0	
Net transfers to capital reserves			($372,520)	$372,520		$0		$0		$0		$372,520		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$8,190,716	$4,225,933	$1,434,544	$2,530,239	$725,857	$0	$960,413	$35,501	$247,852	$0	$86,321	$474,295	$0	$0

School Jurisdiction Code: 52

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$71,154	$20,256,701
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$71,154	$20,256,701
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$501,388	
	Infrastructure & Transportation-School/Modular Project Capital *	$236,812	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$9,124	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$514,046
Expended capital allocations - current year		($262,390)	$262,390
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			
Capital allocations amortized to revenue			$1,397,286
Balance at August 31, 2006		$556,088	$19,635,851

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

CLEARVIEW SCHOOL DIVISION #71

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2006

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The School Division receives block allocations for instruction and support under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are the representations of management prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below:

a. Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

b. Inventories

Inventories are recorded at the lower of cost and net realizable value.

c. Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided so as to amortize the cost of the asset over its useful life. The rates of amortization are as follows:

Buildings - 2.5%-4% straight line
Equipment - 10% - 20% straight line
Vehicles - 10%-20% straight line

Capital assets with costs in excess of $5,000 are capitalized.

d. School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s). These funds are usually collected, retained and expended at the school level.

e. Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

f. Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The school division participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contribution of $199,496 for the year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 deficiency of $1,288,924,000).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

g. Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

h. Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

i. Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable, and debenture debt. It is management's opinion that the division is not exposed to significant interest, currency or credit risks arising from these financial instruments and that their fair values approximate their carrying values, unless otherwise noted. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

3. ACCOUNTS RECEIVABLE

	2006 $	2005 $
Alberta Education	24,307	22,575
Alberta Infrastructure and Transportation	-	424,237
Alberta Finance	127,262	146,837
Other Province of Alberta	3,800	3,800
Federal government	54,096	99,752
Other	73,691	165,970
	283,156	863,171

4. ACCOUNTS PAYABLE AND ACCRUALS

	2006 $	2005 $
Alberta Education	116,518	61,132
Accrued interest on debenture	127,262	146,837
Accrued vacation pay and early retirement	63,815	83,872
Other trade payables and accrued liabilities	504,945	1,377,713
	812,540	1,669,554

5. DEFERRED REVENUE

	2006 $	2005 $
IMP block funding	292,635	227,949
Other Alberta Education	6,463	20,683
AISI funding	-	80,606
Alberta Education Curriculum Initiative	27,304	60,000
Infrastructure Plant Operation and Maintenance Grant	-	32,903
Other	58,651	76,309
	385,053	498,450

6. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. When expended, these deferred capital allocations are transferred to the unamortized capital allocations account.

7. LONG-TERM DEBT

The School Division has issued debentures to the Alberta Municipal Finance Corporation to finance construction of school buildings. Debentures mature from 2006 to 2020 and interest rates vary from 7.625% to 12%.

	2006 $	2005 $
Debenture debt	3,611,633	4,125,679
Due within one year	(514,046)	(514,046)
	3,097,587	3,611,633

7. LONG-TERM DEBT - continued

Principal repayments required in each of the next five fiscal years are as follows:

	$
2007 -	514,046
2008 -	435,217
2009 -	395,742
2010 -	369,265
2011 -	350,390
2012 to maturity -	1,546,973

The School Division's debentures are supported by payments from Alberta Finance. These support payments are not recorded as receivables before they are due. The effect of recording the corresponding debenture debt due within one year is to understate the working capital by the current portion of the debenture debt.

8. TRUST LIABILITIES

	2006 $	2005 $
Endowment funds for scholarships	294,154	290,902
	294,154	290,902

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debentured principal repayments.

10. ECONOMIC DEPENDENCE

The school division's primary source of income is from the Alberta government. The Division's ability to continue viable operations is dependent on this funding.

11. RELATED PARTY TRANSACTIONS

During the year the school division entered into transactions with related parties as follows:

a) The School Division received funding for operations from the Alberta government in the amount of $23,269,924 (2005-$22,633,657). In addition, Alberta government funding for capital projects totalled $738,200 (2005-$265,303).

b) The School Division has debenture debt in the amount of $3,611,633 (2005 – $4,125,679) payable to the provincial government and the principal payments are supported through provincial government funding.

c) The Alberta Teachers' Retirement Fund pension plan payments are paid by the provincial government directly to the plan on behalf of the division. The amount of these payments has not been disclosed to the division.

12. BUDGET AMOUNTS

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on December 15, 2005. It is presented for information purposes only and has not been audited.

13. CONTINGENCIES

The School Division is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

SCHEDULE A to the AFS

School Jurisdiction Cod 52

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$22,573,350	$16,777,573	$2,102,280	$2,673,737	$1,019,760	$0
(2) **Alberta Infrastructure & Transportation**	$122,211		$122,211			
(3) **Alberta Finance**	$386,434		$386,434			$0
(4) **Other - Government of Alberta**	$187,929	$135,500	$3,800	$0	$0	$48,629
(5) **Federal Government and/or First Nations**	$2,523	$2,523	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$195,669	$195,669				
(10) **Transportation fees**	$16,275			$16,275		
(11) **Other sales and services**	$572,888	$345,458	$4,002	$134,077	$89,351	$0
(12) **Investment income**	$163,018	$153,105	$0	$0	$9,913	$0
(13) **Gifts and donations**	$106,620	$76,170	$30,450	$0		$0
(14) **Rentals of facilities**	$61,710	$0	$61,710	$0	$0	$0
(15) **Net school generated funds**	$171,285	$171,285			$0	
(16) **Gains on disposal of capital assets**	$24,596	$0	$9,667	$14,929	$0	$0
(17) **Amortization of capital allocations**	$1,397,286	$99,339	$1,297,947	$0		$0
(18) **TOTAL REVENUES**	$25,981,794	$17,956,622	$4,018,501	$2,839,018	$1,119,024	$48,629
EXPENSES						
(19) **Certificated salaries**	$11,996,924	$11,813,046			$183,878	$0
(20) **Certificated benefits**	$1,288,089	$1,271,260			$16,829	$0
(21) **Uncertificated salaries and wages**	$4,716,293	$2,262,753	$836,929	$1,265,906	$350,705	$0
(22) **Uncertificated benefits**	$795,377	$397,612	$185,857	$132,271	$79,637	$0
(23) **SUB - TOTAL**	$18,796,683	$15,744,671	$1,022,786	$1,398,177	$631,049	$0
(24) **Services, contracts & supplies**	$4,529,696	$2,059,005	$1,149,002	$924,182	$348,878	$48,629
(25) **Cost recoveries between programs**	$0	$0	$0		$0	$0
(26) **Net school generated funds**	$171,285	$171,285				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$1,397,286	$99,339	$1,297,947	$0	$0	$0
(28) Unsupported	$655,661	$186,049	$46,608	$392,766	$30,238	$0
(29) Total Amortization	$2,052,947	$285,388	$1,344,555	$392,766	$30,238	$0
Interest on capital debt						
(30) Supported	$386,434	$0	$386,434	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$25,937,045	$18,260,349	$3,902,777	$2,715,125	$1,010,165	$48,629
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$44,749	($303,727)	$115,724	$123,893	$108,859	$0

School Jurisdiction Code: 52

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$455,376
Base Instruction (Gr 1-12)	$12,739,886
Outreach Programs	$104,040
Home Education	$1,272
Differential Cost Funding *	$8,244,642
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$18,421
Provincial Priority Targeted Funding	
Class Size Initiative	$419,709
Student Health Initiative (SHI)	$72,100
Alberta Initiative for School Improvement (AISI)	$400,619
High Speed Networking	$84,588
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	
Other Alberta Education Revenues (describe): Social Studies 1X,	$32,697
Total Alberta Education Revenues	$22,573,350

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilities/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 52

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$817,314	$743,718	$343,970		$0	$0	$1,905,002
Mild & Mcderate Disabilities/Gifted & Talented (ECS-12)	$232,112	$82,651	$3,238		$0		$318,001
ECS Program Unit (PUF)	$0	$95,439	$87,756		$0		$183,195
Severe Disabilities (Gr 1-12)	$317,216	$907,911	$89,084		$0		$1,314,211
English as a Second Language	$0	$98,960			$0		$98,960
French Language Program & Francisation (all jurisdictions)	$0	$0	$1,886		$0		$1,886
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$2,420		$0		$2,420
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$198,687	$39,007	$90,692	$72,233	$0		$400,619
Student Health Initiative	$0	$72,100	$0		$0		$72,100
High Speed Networking			$92,674		$0		$92,674
Class Size	$419,709	$0	$0	$0	$0		$419,709
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$11,099,268	$620,579	$521,281	$753,771	$0	$456,673	$13,451,572
TOTAL EXPENSES	$13,084,306	$2,660,365	$1,233,001	$826,004	$0	$456,673	$18,260,349

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	3.2	3.1
ECS Program Unit (PUF)	0.0	6.4
Severe Disabilities (Gr 1-12)	4.5	38.1

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 52

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$25,937,045**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.80%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,504,349
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment		
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$1,504,349**
Less: 2005/2006 Board and System Administration expenses		-$1,010,165
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$494,184

School Jurisdiction Code: 52

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$206,387
Source of Net School Generated Funds:				
Fundraising activities	$424,421	$276,204	$148,217	
Student fees (Non-Instructional) (Note 2)	$261,312	$233,950	$27,362	
Donations and grants to schools	$44,410	$13,134	$31,276	
Other (describe): yearbooks, clothing Terry Fox	$14,069	$3,209	$10,860	
Net Additions to SGF	$744,212	$526,497		$217,715
Net SGF Available for Spending				$424,102
Application of Net School Generated Funds:				
Extra-curricular activities			$67,818	
School site beautification			$0	
Field Trips			$17,341	
Equipment			$3,228	
Family literacy and other community resources			$0	
Other (describe): appriciation gifts, student subsidizations, special day celebrations, bank charges, etc			$82,898	
Net SGF Expended (Note 3)				$171,285
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$252,817

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 52

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$617,421	$124,827	$0	$0	$94,681	$836,929		$836,929
Uncertificated benefits	$138,526	$26,829	$0	$0	$20,502	$185,857		$185,857
Sub-total Remuneration	$755,947	$151,656	$0	$0	$115,183	$1,022,786		$1,022,786
Contracted Services	$4,056	$71,906	$0	$120,645	$880	$197,487		$197,487
Supplies	$100,809	$162,028	$0	$1,566	$280	$264,683		$264,683
Electricity			$371,983			$371,983		$371,983
Natural Gas/Heating Fuel			$266,633			$266,633		$266,633
Sewer and Water			$42,527			$42,527		$42,527
Telecommunications			$5,689			$5,689		$5,689
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$1,297,947	$1,297,947
Unsupported						$46,608		$46,608
Total Amortization						$46,608	$1,297,947	$1,344,555
Interest on capital debt								
Supported							$386,434	$386,434
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$860,812	$385,590	$686,832	$122,211	$116,343	$2,218,396	$1,684,381	$3,902,777
SQUARE METRES								
School Buildings								38,561.3
Non School Buildings								2,900.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 52

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Patty Dittrick	1.0	$23,518	$3,847	$0			$27,365	$7,895
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Ken Checkel	1.0	$11,069	$3,441	$0			$14,510	$7,433
Name	Karen Holloway	1.0	$11,143	$3,421	$0			$14,564	$7,659
Name	Dave Ellis	1.0	$12,201	$3,424	$0			$15,625	$4,331
Name	John Scholer	1.0	$8,504	$3,299	$0			$11,803	$4,380
Name	Ruth Marshall	1.0	$11,297	$1,711	$0			$13,008	$5,027
Name	Yvette Cassidy	1.0	$7,710	$3,232	$0			$10,942	$3,609
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$85,442*	*$22,375*	*$0*			*$107,817*	*$40,334*
Superintendent	Egbert Stang	0.5	$46,809	$3,438	$0	$0	$0	$50,247	$4,229
Superintendent	Brian Celli	0.2	$30,375	$4,015	$0	$0	$0	$34,390	$2,254
Superintendent	Ray Battochio	0.3	$40,000	$4,361	$0	$0	$0	$44,361	$1,395
Secretary/Treasurer	Gordon Majeran	1.0	$99,905	$18,577	$0	$0	$0	$118,482	$4,677
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		161.4	$11,879,740	$1,276,275	$0	$0	$0	$13,156,015	
Uncertificated Salaries & Wages		217.0	$4,530,946	$754,425	$0	$0	$0	$5,285,371	
TOTALS			**$16,713,217**	**$2,083,466**	**$0**	**$0**	**$0**	**$18,796,683**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 4330

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

East Central Alberta Catholic Separate Schools Regional Division No. 16
Legal Name of School Jurisdiction

1018 - 1 Avenue, Wainwright, Alberta, T9W 1G9
Mailing Address

Telephone (780) 842-3992 and Fax Numbers (780) 842-5322
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules East Central Alberta Catholic Separate Schools Regional Division No. 16 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name: Myron Ganser
Signature: "ORIGINAL SIGNED"

SUPERINTENDENT

Name: Stephen MacKenzie
Signature: "ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name: Iveta Paulik
Signature: "ORIGINAL SIGNED"

November 27, 2006
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 4330

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MNP

MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees

EAST CENTRAL ALBERTA CATHOLIC
SEPARATE SCHOOLS REGIONAL DIVISION NO. 16

We have audited the statement of financial position of the **East Central Alberta Catholic Separate Schools Regional Division No. 16** as at August 31, 2006 and the related statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP

Lloydminster, Alberta
November 10, 2006

Chartered Accountants

School Jurisdiction Code: 4330

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$4,414,704	$4,604,216
Accounts receivable (net after allowances)		$624,781	$2,006,451
Prepaid expenses		$107,540	$90,884
Other current assets		$0	$0
Total current assets		$5,147,025	$6,701,551
School generated assets		$242,126	$216,861
Trust assets		$62,468	$40,000
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$49,698	$49,698
Buildings	$20,942,692		
Less: accumulated amortization	($4,152,573)	$16,790,119	$16,779,758
Equipment	$297,111		
Less: accumulated amortization	($35,615)	$261,496	$79,157
Vehicles	$248,274		
Less: accumulated amortization	($196,810)	$51,464	$19,330
Total capital assets		$17,152,777	$16,927,943
TOTAL ASSETS		$22,604,396	$23,886,355
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$507,238	$1,242,525
Deferred revenue		$672,029	$788,104
Deferred capital allocations		$1,515,217	$1,403,367
Current portion of all long term debt		$232,564	$232,564
Total current liabilities		$2,927,048	$3,666,560
School generated liabilities		$242,126	$216,861
Trust liabilities		$62,468	$40,000
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$27,296
Long term debt			
Supported:	Debentures and other supported debt	$585,756	$818,320
	Less: Current portion of supported debt	($232,564)	($232,564)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$14,668,120	$14,687,973
Total long term liabilities		$15,325,906	$15,557,886
TOTAL LIABILITIES		$18,252,954	$19,224,446
NET ASSETS			
Unrestricted net assets		$1,404,445	$1,200,872
Operating Reserves		$829,043	$1,576,550
Accumulated Operating Surplus (Deficit)		$2,233,488	$2,777,422
Investment in capital assets		$1,898,921	$1,421,668
Capital Reserves		$219,033	$462,819
Total Capital Funds		$2,117,954	$1,884,487
Total net assets		$4,351,442	$4,661,909
TOTAL LIABILITIES AND NET ASSETS		$22,604,396	$23,886,355

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 4330

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006 Restated	Actual 2005
REVENUES			
Government of Alberta	$18,326,525	$17,852,410	$17,349,842
Federal Government and/or First Nations	$3,013	$0	$2,201
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$109,005	$113,500	$115,560
Transportation fees	$8,555	$8,500	$6,200
Other sales and services	$46,960	$0	$316,397
Investment income	$110,948	$85,000	$92,182
Gifts and donations	$20,000	$20,000	$22,690
Rentals of facilities	$25,492	$25,000	$12,746
Net school generated funds	$427,941	$300,000	$198,438
Gains on disposal of capital assets	$782	$0	$0
Amortization of capital allocations	$446,182	$647,523	$446,181
Total Revenues	$19,525,403	$19,051,933	$18,562,437
EXPENSES			
Certificated salaries	$10,611,224	$10,337,860	$9,531,096
Certificated benefits	$1,078,031	$1,112,104	$956,338
Uncertificated salaries and wages	$1,961,044	$1,749,595	$1,684,587
Uncertificated benefits	$416,231	$408,192	$414,215
Services, contracts and supplies	$4,722,262	$4,322,254	$4,400,425
Net school generated funds	$427,941	$300,000	$198,438
Capital and debt services			
Amortization of capital assets			
Supported	$446,182	$647,523	$446,181
Unsupported	$88,106	$73,187	$73,187
Total Amortization of capital assets	$534,288	$720,710	$519,368
Interest on capital debt			
Supported	$84,849	$84,849	$108,575
Unsupported	$0	$0	$0
Total interest on capital debt	$84,849	$84,849	$108,575
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$19,835,870	$19,035,564	$17,813,042
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($310,467)	$16,369	$749,395
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	($310,467)	$16,369	$749,395

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 4330

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	($310,467)	$749,395
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($446,182)	($446,181)
Total amortization expense	$534,288	$519,368
Gains on disposal of capital assets	($782)	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$1,381,670	$1,467,393
Prepaids and other current assets	($16,656)	$5,526
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($762,583)	($621,179)
Deferred revenue	($116,075)	$142,095
Employee future benefit expense (recovery)	$0	
Other (describe) Allocations not received/paid in cash	($716,935)	$716,935
Total sources (uses) of cash from Operations	($453,722)	$2,533,352
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($521,616)	($2,547,757)
Equipment	($197,632)	($25,662)
Vehicles	($39,874)	$0
Net proceeds from disposal of capital assets	$782	$0
Other (describe) Allocations not paid in cash	($381,103)	$381,103
Total sources (uses) of cash from Investing activities	($1,139,443)	($2,192,316)
C. FINANCING ACTIVITIES		
Capital allocations	$305,614	$2,118,738
Issue of long term debt	$0	$0
Repayment of long term debt	($232,564)	($232,564)
Add back: supported portion	$232,565	$232,564
Other (describe) Allocations not received in cash	$1,098,038	($1,098,038)
Total sources (uses) of cash from Financing activities	$1,403,653	$1,020,700
Net sources (uses) of cash during year	($189,512)	$1,361,736
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,604,216	$3,242,480
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$4,414,704	$4,604,216

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 4330

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$4,661,909	$1,421,668	$1,200,872	$2,039,369	$1,174,797	$214,078	$120,760	$0	$271,903	$98,741	$9,090	$150,000	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$4,661,909	$1,421,668	$1,200,872	$2,039,369	$1,174,797	$214,078	$120,760	$0	$271,903	$98,741	$9,090	$150,000	$0	$0
Excess(def) of revenue over expenses	($310,467)		($310,467)											
Board funded capital transactions		$565,359	$0	($565,359)	($192,052)	($214,078)	$0	$0	($20,614)	($98,741)	$0	($39,874)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($534,288)	$534,288											
Amortization of capital allocations		$446,182	($446,182)											
Disposal of unsupported capital asset	$0	$0	($782)	$782		$0		$0		$0		$782		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($219,998)	$219,998	$132,872		$87,126		$0		$0		$0	
Net transfers from operating reserves			$754,839	($754,839)	($754,839)		$0		$0		$0		$0	
Net transfers to capital reserves			($108,125)	$108,125		$108,125		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$4,351,442	$1,898,921	$1,404,445	$1,048,076	$360,778	$108,125	$207,886	$0	$251,289	$0	$9,090	$110,908	$0	$0

School Jurisdiction Code: 4330

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$1,4[illegible],367	$14,687,973
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$1,403,367	$14,687,973
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$259,917	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$45,697	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$232,565
Expended capital allocations - current year	($193,764)	$193,764
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$446,182
Balance at August 31, 2006	$1,515,217	$14,668,120

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings - 2.5% to 4%
Equipment & Furnishings - 10% to 20%
Vehicles & Busses - 10% to 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenues over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

f) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

g) Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, trust assets and liabilities, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the East Central Alberta Catholic Separate Schools Regional Division No. 16 does not make pension contributions for certificated staff.

j) Investments

Temporary investments are valued at the lower of cost or market value.

3. CASH AND TEMPORARY INVESTMENTS

	2006	2005
Cash	$ 362,288	$ 682,452
Temporary Investments	4,052,416	3,921,764
	$ 4,414,704	$ 4,604,216

The jurisdiction has designated funds for both deferred capital contributions and operating and capital reserves. The investments are redeemable guaranteed investment certificates. They bear interest at prime rate less 1.9% and 2.05% and mature in November 2006 and February 2007.

4. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education	$ 100,349	$ 216,474
Alberta Infrastructure and Transportation	—	1,187,877
Alberta Finance	33,443	45,769
Other Province of Alberta	4,800	4,800
Federal Government	222,705	253,370
Alberta Municipalities	156,184	165,934
Other Alberta School Jurisdictions	98,486	95,579
Other Accounts Receivable	8,814	36,648
	$ 624,781	$ 2,006,451

EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOLS REGIONAL DIVISION NO. 16
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2006

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2006	Net Book Value 2005
Land	$ 49,698	$ —	$ 49,698	$ 49,698
Buildings	20,942,692	4,152,573	16,790,119	16,779,758
Equipment	297,111	35,615	261,496	79,157
Vehicles	248,274	196,810	51,464	19,330
	$ 21,537,775	$ 4,384,998	$ 17,152,777	$ 16,927,943

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	2005
Alberta Education	153,684	$ 463,069
Alberta Finance	33,443	45,769
Other Alberta School Jurisdictions	27,296	27,296
Other Trade Payables and Accrued Liabilities	292,815	706,391
	$ 507,238	$ 1,242,525

7. DEFERRED REVENUE

	2006	2005
Alberta Infrastructure and Transportation		
Infrastructure Maintenance Program	$ 421,535	$ 385,763
Infrastructure Modernization Grant	73,277	73,277
Alberta Education		
Infrastructure Maintenance Renewal	81,137	—
Infrastructure Modernization Grant	15,465	—
Alberta Initiative for School Improvement	55,924	100,773
2003/2004 One Time Identified Shortfalls Grant	—	107,885
2004/2005 Videoconferencing Grant	—	37,132
2004/2005 One Time Classroom Resource Grant	—	69,000
Other Deferred Revenues	24,691	14,274
	$ 672,029	$ 788,104

8. LONG TERM DEBT

The debenture debt bears interest at rates varying between 8.5% and 12%. The debenture debt is fully supported by Alberta Finance. Interest paid on long term debt during 2006 was $84,849 (2005 - $108,575). Debenture payments due over the next four years are as follows:

	Principal	Interest	Total
2006-2007	$ 232,564	$ 61,123	$ 293,687
2007-2008	193,405	37,397	230,802
2008-2009	109,787	17,440	127,227
2009-2010	50,000	5,368	55,368
	$ 585,756	$ 121,328	$ 707,084

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

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10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

	2006	2005
Opening balance	$ 14,687,973	$ 12,815,458
Debenture and loan principal repaid	232,565	232,564
Amortization for the year	(446,182)	(446,181)
Net capital allocations	193,764	2,086,132
	$ 14,668,120	$ 14,687,973

11. OPERATING RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Schools	$ 1,174,796	$ 132,872	$ (946,890)	$ 360,778
Administration	271,903	—	(20,614)	251,289
Operations/maintenance	120,760	87,126	—	207,886
Transportation	9,090	—	—	9,090
	$ 1,576,549	$ 219,998	$ (967,504)	$ 829,043

12. CAPITAL RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Buildings	$ 312,819	$ 108,125	$ (312,819)	$ 108,125
Equipment	—	—	—	—
Vehicles	150,000	782	(39,874)	110,908
	$ 462,819	$ 108,907	$ (352,693)	$ 219,033

13. CONTINGENCIES

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

Contingent Liability

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

14. OPERATING LEASE COMMITMENTS

Christ-King School

The Christ-King School is located in the Waverly School Building. The jurisdiction is committed to lease the school space until the building is officially transferred from the Clearview School Division No. 71 to East Central Alberta Catholic Separate Schools Regional Division No. 16. In the meantime, the jurisdiction has agreed to lease the premises from the Clearview School Division No. 71 for annual rent of $48,350.

15. RELATED PARTY TRANSACTIONS

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

All related-party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	Balances		Transactions	
2005-2006	Assets	Liabilities	Revenues	Expenses
Government of Alberta:				
Education	$ 100,349	$ 306,210	$ 18,106,314	$ 166,264
Infrastructure and Transportation	—	494,812	129,006	—
Finance	33,443	33,443	84,849	84,849
Human Resources & Employment	4,800	—	6,356	—
Municipal Finance Corporation		585,756		
Other:				
Health Authorities	—	—	—	260
Other Alberta school jurisdictions	98,486	27,296	—	166,163
Post-secondary Institutions	—	—	—	35,297
TOTAL 2005-2006	$ 237,078	$ 1,447,517	$ 18,326,525	$ 452,833
TOTAL 2004-2005	$ 1,561,499	$ 2,128,284	$ 17,352,043	$ 273,273

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The East Central Alberta Catholic Separate Schools Regional Division No. 16's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

18. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2006 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 4330

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$18,106,314	$16,149,386	$1,081,309	$14,619	$861,000	$0
(2) **Alberta Infrastructure & Transportation**	$129,006	$0	$129,006			
(3) **Alberta Finance**	$84,849		$84,849			$0
(4) **Other - Government of Alberta**	$6,356	$4,493	$1,863	$0	$0	$0
(5) **Federal Government and/or First Nations**	$3,013	$3,013	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$109,005	$109,005				
(10) **Transportation fees**	$8,555			$8,555		
(11) **Other sales and services**	$46,960	$46,960	$0	$0		$0
(12) **Investment income**	$110,948	$0	$0	$0	$110,948	$0
(13) **Gifts and donations**	$20,000	$20,000	$0	$0		$0
(14) **Rentals of facilities**	$25,492	$0	$0	$0	$25,492	$0
(15) **Net school generated funds**	$427,941	$427,941			$0	
(16) **Gains on disposal of capital assets**	$782	$0	$782	$0	$0	$0
(17) **Amortization of capital allocations**	$446,182	$0	$446,182	$0		$0
(18) **TOTAL REVENUES**	$19,525,403	$16,760,798	$1,743,991	$23,174	$997,440	$0
EXPENSES						
(19) **Certificated salaries**	$10,611,224	$10,379,337			$231,887	$0
(20) **Certificated benefits**	$1,078,031	$1,080,034			$17,997	$0
(21) **Uncertificated salaries and wages**	$1,961,044	$1,412,502	$183,008	$26,173	$339,361	$0
(22) **Uncertificated benefits**	$416,231	$303,343	$39,539	$1,926	$71,423	$0
(23) **SUB - TOTAL**	$14,066,530	$13,155,216	$222,547	$28,099	$660,668	$0
(24) **Services, contracts & supplies**	$4,722,262	$3,515,620	$822,139	$57,750	$326,753	$0
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$427,941	$427,941				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$446,182	$0	$446,182		$0	$0
(28) Unsupported	$88,106	$0	$80,366	$7,740	$0	$0
(29) Total Amortization	$534,288	$0	$526,548	$7,740	$0	$0
Interest on capital debt						
(30) Supported	$84,849	$0	$84,849	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$19,835,870	$17,098,777	$1,656,083	$93,589	$987,421	$0
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	($310,467)	($337,979)	$87,908	($70,415)	$10,019	$0

School Jurisdiction Code: 4330

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$200,976
Base Instruction (Gr 1-12)	$13,286,072
Outreach Programs	$52,020
Home Education	$311,602
Differential Cost Funding *	$3,117,471
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$32,708
Provincial Priority Targeted Funding	
Class Size Initiative	$381,982
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$431,245
High Speed Networking	$46,462
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): 04/05 Class. Resource, 04/05 Videoconferencing, 03/04 Identified Shortfalls, 05/0	$245,776
Total Alberta Education Revenues	$18,106,314

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 4330

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$880,640	$793,265	$595,963		$0	$0	$2,269,868
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$678,134	$89,439	$169,636		$0		$937,209
ECS Program Unit (PUF)	$0	$33,077	$8,610		$0		$41,687
Severe Disabilities (Gr 1-12)	$284,708	$436,589	$80,809		$0		$802,106
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$49,773	$45,368	$71,245		$0		$166,386
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$157,152	$119,758	$154,561	$0	$0		$431,471
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$65,004		$0		$65,004
Class Size	$607,295	$0	$0	$0	$0		$607,295
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$8,781,669	$198,158	$2,228,270	$141,713	$0	$427,941	$11,777,751
TOTAL EXPENSES	$11,439,371	$1,715,654	$3,374,098	$141,713	$0	$427,941	$17,098,777

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	8.9	2.9
ECS Program Unit (PUF)	0.0	1.4
Severe Disabilities (Gr 1-12)	3.7	15.6

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets

School Jurisdiction Code: 4330

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$19,835,870**
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses		
If "Total Net Enrolled Students" are 6,000 and over = 4%		**5.57%**
If "Total Net Enrolled Students" are 2,000 and less = 6%		
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE. EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%. Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,104,858
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$1,104,858**
Less: 2005/2006 Board and System Administration expenses		-$987,421
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$117,437

* Input opening carryforward board & system administration amount available from previous years, as determined by Alberta Education and provided to school jurisdiction chief finanical officer contacts.

School Jurisdiction Code: 4330

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$216,861
Source of Net School Generated Funds:				
Fundraising activities	$312,050	$177,931	$134,119	
Student fees (Non-Instructional) (Note 2)	$219	$0	$219	
Donations and grants to schools	$117,913	$0	$117,913	
Other (describe):	$217,375	$16,420	$200,955	
Net Additions to SGF	$647,557	$194,351		$453,206
Net SGF Available for Spending				$670,067
Application of Net School Generated Funds:				
Extra-curricular activities			$150,126	
School site beautification			$66,496	
Field Trips			$55,542	
Equipment			$59,223	
Family literacy and other community resources			$1,484	
Other (describe): Graduation, miscellaneous office expenses, etc			$95,070	
Net SGF Expended (Note 3)				$427,941
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$242,126

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 4330

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$147,050	$23,449		$0	$12,509	$183,008		$183,008
Uncertificated benefits	$29,745	$7,302		$0	$2,492	$39,539		$39,539
Sub-total Remuneration	$176,795	$30,751	$0	$0	$15,001	$222,547		$222,547
Contracted Services	$119,922	$345,598	$0	$34,339	$14,350	$514,209		$514,209
Supplies	$29,044	$0	$0	$0	$0	$29,044		$29,044
Electricity			$117,135			$117,135		$117,135
Natural Gas/Heating Fuel			$110,635			$110,635		$110,635
Sewer and Water			$18,806			$18,806		$18,806
Telecommunications			$0			$0		$0
Insurance					$32,310	$32,310		$32,310
Amortization of capital assets								
Supported							$446,182	$446,182
Unsupported						$80,366		$80,366
Total Amortization						$80,366	$446,182	$526,548
Interest on capital debt								
Supported							$84,849	$84,849
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$325,761	$376,349	$246,576	$34,339	$61,661	$1,125,052	$531,031	$1,656,083
SQUARE METRES								
School Buildings								18,395.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4330

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-2006
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Myron Ganser	1.0	$5,025	$104	$0			$5,129	$4,584
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Harry Loonen	1.0	$3,600	$301	$0			$3,901	$1,868
Name	Larry Wasylik	1.0	$6,600	$1,542	$0			$8,142	$7,016
Name	Chris Nichols	1.0	$3,450	$4,278	$0			$7,728	$4,260
Name	Rob Nichols	1.0	$3,900	$4,478	$0			$8,378	$2,703
Name	Mardy Charlebois	1.0	$3,450	$38	$0			$3,488	$2,854
Name	Debra Klein	1.0	$3,300	$4,276	$0			$7,576	$3,098
Name	Jim Brady	1.0	$5,850	$117	$0			$5,967	$4,651
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$35,175*	*$15,134*	*$0*			*$50,309*	*$31,034*
Superintendent	Valerie Burgardt	0.9	$117,988	$7,578	$0	$0	$0	$125,566	$19,720
Superintendent	Stephen MacKenzie	0.1	$10,134	$567	$0	$0	$0	$10,701	$1,223
Secretary/Treasurer	Iveta Paulik (Away on maternity leave for 4 months)	0.7	$68,320	$8,707	$31,812	$0	$0	$108,839	$2,304
Secretary/Treasurer	Karrie Gau (Acting Secretary Treasurer)	0.3	$24,000	$2,794	$0	$0	$0	$26,794	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		140.1	$10,483,102	$1,069,886	$0	$0	$0	$11,552,988	
Uncertificated Salaries & Wages		58.7	$1,833,549	$357,784	$0	$0	$0	$2,191,333	
TOTALS			**$12,572,268**	**$1,462,450**	**$31,812**	**$0**	**$0**	**$14,066,530**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 8060

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

East Central Francophone Education Region No. 3
Legal Name of School Jurisdiction

P.O. Box 249, St-Paul, AB, T0A 3A0
Mailing Address

(780) 645-3888 (780) 645-2045
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules East Central Francophone Education Region No. 3 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Réginald Roy
Name

"ORIGINAL SIGNED"
Signature

SUPERINTENDENT

Donald Michaud
Name

"ORIGINAL SIGNED"
Signature

SECRETARY TREASURER OR TREASURER

Claude Lampron
Name

"ORIGINAL SIGNED"
Signature

28-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 8060

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AUDITORS' REPORT

TO THE BOARD OF TRUSTEES

East Central Francophone Education Region No. 3

We have audited the statement of financial position of the East Central Francophone Education Region No. 3 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

"original signed"

ST. PAUL, ALBERTA
November 16, 2006

JOLY M^{C}CARTHY & DION
CHARTERED ACCOUNTANTS

School Jurisdiction Code: 8060

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$326,265	$420,189
Accounts receivable (net after allowances)		$243,196	$1,298,312
Prepaid expenses		$6,037	$141,134
Other current assets		$0	$0
Total current assets		$575,498	$1,859,635
School generated assets		$78,321	$73,107
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$126,554	$126,554
Buildings	$16,900,378		
Less: accumulated amortization	($2,616,202)	$14,284,176	$14,394,726
Equipment	$1,265,177		
Less: accumulated amortization	($405,698)	$859,479	$444,182
Vehicles	$117,930		
Less: accumulated amortization	($44,991)	$72,939	$56,159
Total capital assets		$15,343,148	$15,021,621
TOTAL ASSETS		$15,996,967	$16,954,363
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$460,000
Accounts payable and accrued liabilities		$125,833	$1,348,686
Deferred revenue		$256,310	$268,220
Deferred capital allocations		$167,383	$665,609
Current portion of all long term debt		$24,073	$12,333
Total current liabilities		$573,599	$2,754,848
School generated liabilities		$78,321	$73,107
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$56,849	$35,920
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($24,073)	($12,333)
Other long term liabilities		$0	$0
Unamortized capital allocations		$14,980,127	$14,654,869
Total long term liabilities		$15,091,224	$14,751,563
TOTAL LIABILITIES		$15,664,823	$17,506,411
NET ASSETS			
Unrestricted net assets		$25,972	($882,880)
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$25,972	($882,880)
Investment in capital assets		$306,172	$330,832
Capital Reserves		$0	$0
Total Capital Funds		$306,172	$330,832
Total net assets		$332,144	($552,048)
TOTAL LIABILITIES AND NET ASSETS		$15,996,967	$16,954,363

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 8060

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$7,521,140	$7,090,961	$6,384,995
Federal Government and/or First Nations	$303,331	$17,135	$283,839
Other Alberta school authorities	$55,285	$0	$55,218
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$24,096	$23,830	$22,614
Transportation fees	$4,960	$2,300	$4,900
Other sales and services	$39,628	$0	$40,013
Investment income	$2,096	$0	$1,722
Gifts and donations	$5,843	$0	$5,843
Rentals of facilities	$0	$0	$0
Net school generated funds	$69,655	$30,000	$37,741
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$535,962	$376,549	$720,931
Total Revenues	$8,561,996	$7,540,775	$7,557,816
EXPENSES			
Certificated salaries	$3,526,132	$3,650,792	$3,399,502
Certificated benefits	$407,570	$426,938	$370,935
Uncertificated salaries and wages	$789,015	$527,920	$699,828
Uncertificated benefits	$168,092	$171,392	$155,156
Services, contracts and supplies	$2,108,262	$2,120,746	$2,026,793
Net school generated funds	$69,655	$30,000	$37,741
Capital and debt services			
Amortization of capital assets			
Supported	$535,962	$376,549	$345,750
Unsupported	$37,368	$36,270	$38,531
Total Amortization of capital assets	$573,330	$412,819	$384,281
Interest on capital debt			
Supported	$0	$0	$322
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$322
Other interest charges	$35,748	$41,000	$7,382
Losses on disposal of capital assets	$0	$0	$375,181
Total Expenses	$7,677,804	$7,381,607	$7,457,121
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$884,192	$159,168	$100,695
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$884,192	$159,168	$100,695

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 8060

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$884,192	$100,695
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($535,962)	($720,931)
Total amortization expense	$573,330	$384,281
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$375,181
Changes in accrued accounts:		
Accounts receivable	$1,055,116	($880,197)
Prepaids and other current assets	$135,097	($86,038)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,222,853)	$897,939
Deferred revenue	($11,910)	$29,322
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$877,010	$100,252
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($367,249)	($6,231,848)
Equipment	($527,608)	($132,298)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($894,857)	($6,364,146)
C. FINANCING ACTIVITIES		
Capital allocations	$362,994	$2,116,510
Issue of long term debt	$33,638	$0
Repayment of long term debt	($12,709)	($53,518)
Add back: supported portion	$0	$41,186
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$383,923	$2,104,178
Net sources (uses) of cash during year	$366,076	($4,159,716)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($39,811)	$4,119,905
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$326,265	($39,811)

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 8060

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	($552,048)	$330,832	($882,880)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	($552,048)	$330,832	($882,880)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$884,192		$884,192											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($573,330)	$573,330											
Amortization of capital allocations		$535,962	($535,962)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$12,708	($12,708)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$332,144	$306,172	$25,972	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 8060

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$665,609	$14,654,869
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$665,609	$14,654,869
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$0	
Infrastructure & Transportation-School/Modular Project Capital *	$362,994	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	($861,220)	$861,220
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$535,962
Balance at August 31, 2006	$167,383	$14,980,127

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. Authority and Purpose

The School Jurisdiction delivers education programs under the authority of the School Act. Revised statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

The jurisdiction is exempt from tax under the Income Tax Act.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the contributions.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

2. **Summary of Significant Accounting Policies** (continued)

b) Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5-4%
Equipment	10-20%
Vehicles	20%

Only capital assets with costs in excess of $5,000 are capitalized. The amortization of the asset will commence in the fiscal year following the year of acquisition. Any capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of the school principal for school activities. These are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trips, etc.).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Prepaid expenses

Certain expenditures incurred before the close of the school year are for specific school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

f) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school-generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g) Financial Instruments

These consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

2. Summary of Significant Accounting Policies (continued)

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

i) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the East Central Francophone Education Region No. 3 does not make pension contributions for certified staff.

The school board along with the active uncertified members contribute to an RRSP plan. The employer expense for this pension plan is $ 35,931 for the year ended August 31, 2006. ($31,037-2005)

3. Accounts Receivable

	2006	2005
Alberta Education	$ 146	$ 132,816
Alberta Infrastructure and Transportation	53,822	852,131
Other Province of Alberta	6,550	--
Federal Government	113,459	60,000
Other	69,219	253,365
	$ 243,196	$ 1,298,312

4. Bank Indebtedness

The jurisdiction has negotiated a line of credit in the amount of $1,200,000 that bears interest at the bank prime. This line of credit is secured by a borrowing resolution and a general security agreement. The maximum line of credit limit will be reduced as follows:

September 1, 2006	$ 1,000,000
September 1, 2007	800,000
September 1, 2008	600,000
September 1, 2009	400,000

5. Accounts Payable and Accrued Liabilities

	2006	2005
Other	$ 125,833	$ 1,348,686

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE SUMMARY FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2006

6. Deferred Revenue

	2006	2005
Infrastructure Maintenance Program (from AI & T)	$ 182,510	$ 182,510
Infrastructure Maintenance Renewal (from Education)	38,990	
Modernization block funding	--	37,782
Minor modernization funding	9,636	9,636
Technology Integration funding	--	38,292
HR & E contract funding	25,174	--
	$ 256,310	$ 268,220

7. Deferred Capital Allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

8. Long Term Debt

GMAC Loans - Unsupported	2006	2005
GMAC loan, due in year 2009 payable $487 monthly without interest. Secured by vehicle.	$ 16,555	$ 22,399
GMAC loan, due in year 2008 payable $541 monthly without interest. Secured by vehicle.	7,031	13,521
GMAC loan, due in year 2009 payable $978 monthly without interest. Secured by vehicle.	33,263	--
	56,849	35,920
Less current portion of long term debt	24,073	12,333
	$ 32,776	$ 23,587

The principal due over the next three years are as follows:

2007	$ 24,073
2008	18,124
2009	14,652

9. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

10. Economic Dependence on Related Third Party

The school jurisdiction's primary source of income is from the Alberta Government. The jurisdiction's ability to continue viable operations is dependent on this funding.

11. Budget Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. Commitments

The school jurisdiction currently leases its administration offices. The future minimum payments under this operating lease is as follows:

2007	$ 7,800
2008	7,800
2009	7,800
2010	7,800
2011	1,300
	$ 32,500

13. Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange, called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims.

14. Comparative Figures

The comparative figures have been reclassified where necessary to conform to the 2006 presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

School Jurisdiction Cod 8060

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$7,241,717	$5,053,522	$799,967	$972,068	$416,160	$0
(2) **Alberta Infrastructure & Transportation**	$40,532	$0	$40,532			
(3) **Alberta Finance**	$0		$0			$0
(4) **Other - Government of Alberta**	$238,891	$36,326	$202,565	$0	$0	$0
(5) **Federal Government and/or First Nations**	$303,331	$303,331	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$55,285	$636	$0	$0	$0	$54,649
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$24,096	$24,096				
(10) **Transportation fees**	$4,960			$4,960		
(11) **Other sales and services**	$39,628	$0	$0	$0	$500	$39,128
(12) **Investment income**	$2,096	$2,096	$0	$0	$0	$0
(13) **Gifts and donations**	$5,843	$5,843	$0	$0		$0
(14) **Rentals of facilities**	$0	$0	$0	$0	$0	$0
(15) **Net school generated funds**	$69,655	$69,655			$0	
(16) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(17) **Amortization of capital allocations**	$535,962	$61,394	$474,568	$0		$0
(18) **TOTAL REVENUES**	$8,561,996	$5,556,899	$1,517,632	$977,028	$416,660	$93,777
EXPENSES						
(19) **Certificated salaries**	$3,526,132	$3,411,901			$114,000	$231
(20) **Certificated benefits**	$407,570	$387,801			$19,760	$9
(21) **Uncertificated salaries and wages**	$789,015	$472,207	$110,535	$31,868	$109,405	$65,000
(22) **Uncertificated benefits**	$168,092	$117,755	$26,171	$5,743	$15,491	$2,932
(23) **SUB - TOTAL**	$4,890,809	$4,389,664	$136,706	$37,611	$258,656	$68,172
(24) **Services, contracts & supplies**	$2,108,262	$517,318	$498,330	$878,274	$188,735	$25,605
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$69,655	$69,655				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$535,962	$61,394	$474,568	$0	$0	$0
(28) Unsupported	$37,368	$14,835	$10,472	$2,818	$9,243	$0
(29) Total Amortization	$573,330	$76,229	$485,040	$2,818	$9,243	$0
Interest on capital debt						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$35,748	$33,328	$806	$807	$807	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$7,677,804	$5,086,194	$1,120,882	$919,510	$457,441	$93,777
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$884,192	$470,705	$396,750	$57,518	($40,781)	$0

School Jurisdiction Code: 8060

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$139,920
Base Instruction (Gr 1-12)	$2,462,680
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$4,444,760
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$5,627
Provincial Priority Targeted Funding	
Class Size Initiative	$67,716
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$60,438
High Speed Networking	$22,284
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe): Technology	$38,292
Total Alberta Education Revenues	$7,241,717

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services

School Jurisdiction Code: 8060

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$315,883	$148,948	$60,732		$0	$0	$525,563
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$29,600	$37,073	$7,910		$0		$74,583
ECS Program Unit (PUF)	$0	$27,815	$802		$0		$28,617
Severe Disabilities (Gr 1-12)	$29,600	$155,084	$0		$0		$184,684
English as a Second Language	$72,000	$0	$541		$0		$72,541
French Language Program & Francisation (all jurisdictions)	$230,920	$52,011	$10,579		$0		$293,510
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$28,910	$0	$5,657	$13,089	$0		$47,656
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$24,044		$0		$24,044
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$3,092,789	$169,031	$313,457	$80,507	$0	$179,212	$3,834,996
TOTAL EXPENSES	$3,799,702	$589,962	$423,722	$93,596	$0	$179,212	$5,086,194

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	0.4	2.0
ECS Program Unit (PUF)	0.0	1.5
Severe Disabilities (Gr 1-12)	0.4	5.5

Note:

1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 8060

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$7,677,804**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$460,668
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	485	
	$416,160	$460,668
2005-2006 MAXIMUM EXPENSE LIMIT		**$460,668**
Less: 2005/2006 Board and System Administration expenses		-$457,441
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$3,227

School Jurisdiction Code: 8060

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$73,107
Source of Net School Generated Funds:				
Fundraising activities	$273,131	$204,365	$68,766	
Student fees (Non-Instructional) (Note 2)	$0	$0	$0	
Donations and grants to schools	$6,014	$0	$6,014	
Other (describe): interest	$89	$0	$89	
Net Additions to SGF	$279,234	$204,365		$74,869
Net SGF Available for Spending				$147,976
Application of Net School Generated Funds:				
Extra-curricular activities			$67,069	
School site beautification			$0	
Field Trips			$1,710	
Equipment			$0	
Family literacy and other community resources			$876	
Other (describe)			$0	
Net SGF Expended (Note 3)				$69,655
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$78,321

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 8060

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	**Custodial**	**Maintenance**	**Utilities and Telecommunications**	**Expensed IMR and Modular Unit Relocations**	**Facility Planning & Operations Administration**	**SUB-TOTAL Operations & Maintenance**	**Supported Capital & Debt Services**	**TOTAL Operations and Maintenance**
Uncertificated salaries and wages	$0	$62,621	$0	$0	$47,914	$110,535		$110,535
Uncertificated benefits	$0	$16,165	$0	$0	$10,006	$26,171		$26,171
Sub-total Remuneration	$0	$78,786	$0	$0	$57,920	$136,706		$136,706
Contracted Services	$162,974	$14,797	$8,793	$15,166	$9,397	$211,127		$211,127
Supplies	$0	$51,894	$0	$22,616	$7,520	$82,030		$82,030
Electricity			$86,061			$86,061		$86,061
Natural Gas/Heating Fuel			$81,450			$81,450		$81,450
Sewer and Water			$9,948			$9,948		$9,948
Telecommunications			$1,503			$1,503		$1,503
Insurance					$26,211	$26,211		$26,211
Amortization of capital assets								
Supported							$474,568	$474,568
Unsupported						$10,472		$10,472
Total Amortization						$10,472	$474,568	$485,040
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$806		$806
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$162,974	$145,477	$187,755	$37,782	$101,048	$646,314	$474,568	$1,120,882
SQUARE METRES								
School Buildings								12,949.0
Non School Buildings								0.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 8060

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Réginald Roy	1.0	$9,065	$153	$0			$9,218	$7,451
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Léo Piquette	1.0	$7,605	$122	$0			$7,727	$6,578
Name	Murielle St-Arnault	1.0	$4,535	$50	$0			$4,585	$629
Name	Ernest Piquette	1.0	$5,230	$51	$0			$5,281	$402
Name	Michel Lavoie	0.7	$4,497	$50	$0			$4,547	$2,334
Name	Alain Dallaire	0.3	$675	$0	$0			$675	$104
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*5.0*	*$31,607*	*$426*	*$0*			*$32,033*	*$17,498*
Superintendent	Donald Michaud	1.0	$114,000	$19,760	$0	$0	$0	$133,760	$20,704
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Claude Lampron	1.0	$75,000	$8,884	$0	$0	$0	$83,884	$3,428
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		50.1	$3,412,132	$387,810	$0	$0	$0	$3,799,942	
Uncertificated Salaries & Wages		26.1	$682,408	$158,782	$0	$0	$0	$841,190	
TOTALS			**$4,315,147**	**$575,662**	**$0**	**$0**	**$0**	**$4,890,809**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 110

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Edmonton Catholic Separate School District No. 7
Legal Name of School Jurisdiction

9807 - 106 Street, Edmonton Alberta, T5K 1C2
Mailing Address

Telephone - (780)441-6000 Fax (780)441-6149
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Edmonton Catholic Separate School District No. 7 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Debbie Engel	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Joan Carr	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Andrew Isbister	"ORIGINAL SIGNED"
Name	**Signature**

27-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 110

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Auditors' Report

To the Board of Trustees
Edmonton Catholic Separate School District No. 7

We have audited the statement of financial position of the Edmonton Catholic Separate School District No. 7 as at August 31, 2006, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2006, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

Chartered Accountants

October 30, 2006

School Jurisdiction Code: 110

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$9,959,880	$480,958
Accounts receivable (net after allowances)		$12,666,744	$19,020,899
Prepaid expenses		$2,484,881	$1,836,471
Other current assets		$294,183	$341,855
Total current assets		$25,405,688	$21,680,183
School generated assets		$0	$0
Trust assets		$4,315,590	$4,542,371
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$4,939,308	$4,836,798
Buildings	$212,867,443		
Less: accumulated amortization	($117,017,608)	$95,849,835	$97,887,715
Equipment	$7,432,153		
Less: accumulated amortization	($4,826,067)	$2,606,086	$2,970,174
Vehicles	$1,344,637		
Less: accumulated amortization	($1,043,009)	$301,628	$241,714
Total capital assets		$103,696,857	$105,936,401
TOTAL ASSETS		$133,418,135	$132,158,955
LIABILITIES			
Current liabilities			
Bank indebtedness		$16,379	$9,420,150
Accounts payable and accrued liabilities		$19,689,923	$15,241,179
Deferred revenue		$4,558,806	$5,163,724
Deferred capital allocations		$1,635,997	$0
Current portion of all long term debt		$1,522,799	$1,733,170
Total current liabilities		$27,423,904	$31,558,223
School generated liabilities		$0	$0
Trust liabilities		$4,315,590	$4,542,371
Employee future benefits liability		$2,145,797	$2,095,518
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$7,117,658	$8,850,828
Less: Current portion of supported debt		($1,522,799)	($1,733,170)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Other long term liabilities		$0	$0
Unamortized capital allocations		$80,586,874	$79,585,739
Total long term liabilities		$92,643,120	$93,341,286
TOTAL LIABILITIES		$120,067,024	$124,899,509
NET ASSETS			
Unrestricted net assets		($3,504,846)	($8,780,663)
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		($3,504,846)	($8,780,663)
Investment in capital assets		$15,992,325	$16,040,109
Capital Reserves		$863,632	$0
Total Capital Funds		$16,855,957	$16,040,109
Total net assets		$13,351,111	$7,259,446
TOTAL LIABILITIES AND NET ASSETS		$133,418,135	$132,158,955

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 110

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005
REVENUES			
Government of Alberta	$236,776,928	$229,282,607	$223,699,424
Federal Government and/or First Nations	$1,989,876	$1,678,214	$1,957,431
Other Alberta school authorities	$155,281	$0	$196,387
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$8,341,117	$6,340,652	$7,910,717
Transportation fees	$2,689,394	$2,409,186	$2,500,817
Other sales and services	$5,071,709	$153,000	$3,631,334
Investment income	$490,850	$200,000	$67,192
Gifts and donations	$611,183	$10,000	$480,970
Rentals of facilities	$2,447,093	$2,461,375	$2,559,508
Net school generated funds	$3,363,211	$3,000,000	$3,339,548
Gains on disposal of capital assets	$2,389,000	$0	$2,800
Amortization of capital allocations	$4,653,196	$4,000,000	$4,494,786
Total Revenues	$268,978,838	$249,535,034	$250,840,914
EXPENSES			
Certificated salaries	$128,317,276	$132,559,060	$125,396,099
Certificated benefits	$15,088,143	$16,569,883	$13,630,281
Uncertificated salaries and wages	$46,015,950	$34,880,767	$43,163,243
Uncertificated benefits	$9,841,458	$5,929,730	$8,289,446
Services, contracts and supplies	$52,964,331	$51,808,508	$53,247,670
Net school generated funds	$3,363,211	$3,000,000	$3,339,548
Capital and debt services			
Amortization of capital assets			
Supported	$4,653,196	$4,000,000	$4,532,978
Unsupported	$1,055,104	$0	$124,613
Total Amortization of capital assets	$5,708,300	$4,000,000	$4,657,591
Interest on capital debt			
Supported	$787,086	$787,086	$976,255
Unsupported	$0	$0	$0
Total interest on capital debt	$787,086	$787,086	$976,255
Other interest charges	$317,703	$0	$113,552
Losses on disposal of capital assets	$483,715	$0	$72,780
Total Expenses	$262,887,173	$249,535,034	$252,886,465
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$6,091,665	$0	($2,045,551)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$6,091,665	$0	($2,045,551)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 110

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$6,091,665	($2,045,551)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($4,653,196)	($4,494,786)
Total amortization expense	$5,708,300	$4,657,591
Gains on disposal of capital assets	($2,389,000)	($2,800)
Losses on disposal of capital assets	$483,715	$72,780
Changes in accrued accounts:		
Accounts receivable	$6,354,155	$677,428
Prepaids and other current assets	($600,738)	($237,379)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$4,448,744	($6,061,228)
Deferred revenue	($604,918)	($1,276,271)
Employee future benefit expense (recovery)	$50,279	$32,556
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$14,889,006	($8,677,660)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($102,510)	$0
Buildings	($2,871,501)	($2,748,464)
Equipment	($838,693)	($726,051)
Vehicles	($139,767)	($36,866)
Net proceeds from disposal of capital assets	$0	$0
Other (describe) Proceeds from sale of land	$2,389,000	$0
Total sources (uses) of cash from Investing activities	($1,563,471)	($3,511,381)
C. FINANCING ACTIVITIES		
Capital allocations	$5,557,158	$3,539,911
Issue of long term debt	$0	$0
Repayment of long term debt	($1,733,170)	($2,092,713)
Add back: supported portion	$1,733,170	$2,092,713
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$5,557,158	$3,539,911
Net sources (uses) of cash during year	$18,882,693	($8,649,130)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($8,939,192)	($290,062)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$9,943,501	($8,939,192)

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 110

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$7,259,446	$16,040,109	($8,780,663)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$7,259,446	$16,040,109	($8,780,663)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$6,091,665		$6,091,665											
Board funded capital transactions		$1,491,034	($1,322,661)	($168,373)	$0	$0	$0	($168,373)	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($5,708,300)	$5,708,300											
Amortization of capital allocations		$4,653,196	($4,653,196)											
Disposal of unsupported capital assets	$0	($483,714)	$483,714	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($2,389,000)	$2,389,000		$0		$2,389,000		$0		$0		$0
Net transfers from capital reserves			$1,356,995	($1,356,995)		$0		($1,356,995)		$0		$0		$0
Balance at August 31, 2006	$13,351,111	$15,992,325	($3,504,846)	$863,632	$0	$0	$0	$863,632	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 110

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006
(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005		$0	$79,585,739
Prior period adjustment		$0	$0
Adjusted balance, August 31, 2005		$0	$79,585,739
Add:			
Restricted capital allocations from:	Alberta Education-School/Modular Project Capital *	$5,555,967	
	Infrastructure & Transportation-School/Modular Project Capital *	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$1,191	
Other capital grants and donations		$0	
Net Proceeds on disposal of supported capital assets		$0	
Insurance proceeds (and related interest)		$0	
Donated capital assets (amortizable, @ fair market value)			$0
Transferred in capital assets (amortizable, @ net book value)			$0
Current Year Debenture Principal Repayment			$1,733,170
Expended capital allocations - current year		($3,921,161)	$3,921,161
Less:			
Net book value of supported capital assets disposition, write-off, or transfer			$0
Capital allocations amortized to revenue			$4,653,196
Balance at August 31, 2006		$1,635,997	$80,586,874

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

1. AUTHORITY AND PURPOSE

The Edmonton Catholic Separate School District No. 7 (the "District") operates under the provisions of the School Act, Chapter S-3 Revised, Statutes of Alberta 2000, and through its own bylaws. The District is directed by an elected Board of Trustees, has approximately 3,500 employees and 85 schools and is responsible for the education of approximately 32,300 students.

The District receives block allocations for instruction and support under Regulation 77/2003. The regulation limits funding and expenses for administration. It permits the District, within specified limits, to reallocate funding between the instruction and support blocks.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") and accounting policies consistent with those prescribed by Alberta Education for Alberta school districts. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

Revenue is recognized as follows:

(i) Government operating grants are recognized as revenue in the period received, or, where the grants relate to a future period, they are deferred and recognized in the subsequent period. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered.

(ii) Contributions restricted for the acquisition of capital assets having a limited life and for retirement of capital debt are recorded as deferred capital contributions. Once expended, they are transferred to unamortized deferred capital contributions, which are amortized to revenue over the useful lives of the related assets.

(iii) Volunteers assist schools operated by the District in carrying out certain activities. Because of the difficulty of determining the fair value of the services and due to the fact that such assistance is generally not purchased, contributed services are not recognized in the financial statements.

Cash and bank indebtedness

Cash includes cash and short-term investments with maturities of three months or less. Bank indebtedness represents cheques issued in excess of bank balance.

2. ACCOUNTING POLICIES (continued)

Inventories

Inventories are recorded at the lower of cost and net realizable value.

Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight-line basis at the following annual rates:

Buildings	2.5% - 4%
Industrial, instructional and office equipment	10% and 20%
Automotive equipment	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Pensions

Pension costs included in these statements comprise the costs of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the District does not make pension contributions for certificated staff.

The District participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension is equivalent to the annual contributions of $3,045,781 (2005 - $2,623,607) for the year ended August 31, 2006.

At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2005 - a deficiency of $1,288,924,000).

Employee future benefits

The District accrues its obligations under employee future benefit plans, excluding pension benefits, and expenses the related costs. As at August 31, 2006, the recorded obligation is $2,145,797 (2005 - $2,095,518). The total expense recorded in the financial statements is $50,279 (2005 - $32,556).

Funds collected by schools

Funds generated from school activities are included with the assets, liabilities, revenue and expenses of the District as accountability and control of these funds rests with the District.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. ACCOUNTING POLICIES (continued)

Contribution services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure certain programs are delivered, such as kindergarten, lunch services and raising school-generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Financial instruments

The District's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The District has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the District, to set aside funds for operating and future capital expenditures. Such reserves are appropriations of accumulated surplus.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant areas requiring the use of management's estimates include the collectible amounts of accounts receivable, the useful lives of capital assets and the corresponding rates of amortization, the amount of accrued liabilities and the fair value of financial instruments.

3. CASH HELD IN TRUST

Cash is held in trust on behalf of the Edmonton Student Health Initiative Partnership. The Edmonton Student Health Initiative Partnership was created so that school-aged children in Edmonton, in particular those with special needs, have access to culturally-responsive health and related support services they need to participate in their school programs and attain their potential. The District was appointed banker for the partnership and is responsible for distributing the cash in accordance with the wishes of the partnership.

4. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education	$ 2,898,639	$ 427,828
Alberta Infrastructure and Transportation	-	8,860,117
Supplementary requisition	7,969,716	7,514,201
Other	1,798,389	2,218,753
	$ 12,666,744	$ 19,020,899

5. CAPITAL ASSETS

	2006			2005
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 4,939,308	$ -	$ 4,939,308	$ 4,836,798
Buildings	212,801,580	117,017,608	95,783,972	96,427,992
Industrial, instructional and office equipment	7,432,153	4,826,067	2,606,086	2,970,174
Automotive equipment	1,344,637	1,043,009	301,628	241,714
Construction in progress	65,863	-	65,863	1,459,723
	$ 226,583,541	$ 122,886,684	$ 103,696,857	$ 105,936,401

6. BANK INDEBTEDNESS

Bank indebtedness consists of cheques written in excess of bank balances. In addition, the District has a $10,000,000 Canadian Dollar Demand Overdraft available. The balance outstanding as of August 31, 2006, was nil. Interest is charged on the first $999,999 at prime less 2.0% and prime less 1.9% for amounts $1,000,000 and over. The District is subject to interest rate risk on outstanding balances as overdraft interest fluctuates with the prime interest rate. For each 1% change in the rate of interest, assuming a consistent overdraft balance, the change in annual interest expense is approximately $6,303.

7. DEFERRED REVENUE

	2006	2005
Parents and individuals	$ 4,536,911	$ 4,012,528
Provincial grants	21,895	1,151,196
	$ 4,558,806	$ 5,163,724

8. DEFERRED CAPITAL CONTRIBUTIONS AND UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS

	2006		2005	
	Deferred Capital Contributions	Unamortized Deferred Capital Contributions	Deferred Capital Contributions	Unamortized Deferred Capital Contributions
Balance, beginning of year	$ -	$ 79,585,739	$ 10,044,574	$ 68,403,327
Government grants	7,289,137	1,733,170	5,632,624	2,092,713
Interest earned	1,191	-	-	-
Expended on capital assets	(3,921,161)	3,921,161	(13,584,485)	13,584,485
Debt retirement	(1,733,170)	-	(2,092,713)	-
Amortization of capital assets acquired from capital contributions	-	(4,653,196)	-	(4,494,786)
	$ 1,635,997	$ 80,586,874	$ -	$ 79,585,739

9. DEBENTURE DEBT

In prior years, the District has issued debentures to the Alberta Capital Finance Authority (formerly Alberta Municipal Finance Corporation) to finance construction of capital assets. These debentures mature in annual amounts to the year 2020 and interest is payable at rates ranging from 8% to 12% per annum. The debenture debt is fully supported by Alberta Finance.

9. DEBENTURE DEBT (continued)

Principal payments due on debenture debt over the next five years and thereafter are as follows:

	Principal	Interest	Total
2007	$ 1,522,799	$ 709,308	$ 2,232,107
2008	1,237,932	552,331	1,790,263
2009	1,169,936	426,201	1,596,137
2010	1,056,660	307,890	1,364,550
2011	936,742	201,871	1,138,613
Thereafter	1,193,589	198,332	1,391,921
	$ 7,117,658	$ 2,395,933	$ 9,513,591

10. RESERVES

	2006			2005
	Operating	Capital	Total	Total
Balance, beginning of year	$ -	$ -	$ -	$ 1,777,857
Transfers from operations	-	-	-	(1,777,857)
Proceeds from sale of land	-	2,389,000	2,389,000	-
Approved transfer for deficit reduction	-	(1,356,995)	(1,356,995)	-
Purchase of land	-	(102,510)	(102,510)	-
Critical repairs of non-school buildings	-	(65,863)	(65,863)	- -
	$ -	$ 863,632	$ 863,632	$ -

Reserves of $375,000 have been approved by the Board and the Minister to complete certain critical repairs of non-school buildings, of which $65,863 have been spent. The remaining $554,495 of reserves is available for the Board and Minister approved projects in the future.

11. ASSET RETIREMENT OBLIGATIONS

During the year, the District adopted Section 3110 of the CICA Handbook, "Asset Retirement Obligations". Asset Retirement Obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. There is no impact on the District upon adoption of this section as the District has no identifiable asset retirement obligations.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The District's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

The District received allocations from the following related parties: Alberta Learning, Alberta Finance, Alberta Infrastructure and Family and Social Services.

In the current year, $46,934,823 or 17.4% (2005 - $45,151,439 or 18.0%) of operating revenue was received from the City of Edmonton supplementary requisition of municipal taxes from Catholic ratepayers.

13. RELATED PARTY TRANSACTIONS

Effective 2005-2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta. The District had the following related party transactions for the year ended August 31, 2006.

	Balances		Transactions	
2005-2006	Assets (at cost or net realizable value)	Liabilities (at fair value)	Revenues	Expenses
Government of Alberta				
Education	$ 2,898,639	$ 9,627,608	$ 235,989,842	$ -
Finance	-	-	787,086	-
Other Alberta school jurisdictions	-	-	155,281	-
Total 2005-2006	$ 2,898,639	$ 9,627,608	$ 236,932,209	$ -
Total 2004-2005	$ 9,287,945	$ 8,936,397	$ 223,895,811	$ -

14. BUDGET COMPARISON

Following is a summary of revenue and expenses compared with the approved budget:

	Actual	Budget	Variance
Revenue			
Provincial grants and supplementary requisition	$ 236,776,928	$ 229,282,607	$ 7,494,321
Other revenue	27,548,315	16,252,427	11,295,888
	264,325,243	245,535,034	18,790,209
Amortization of deferred capital contributions	4,653,595	4,000,000	653,595
	268,978,838	249,535,034	19,443,804
Expenses			
Salaries and employee benefits	199,262,827	189,939,440	9,323,387
Supplies and other	57,916,046	55,595,594	2,320,452
Amortization of capital assets	5,708,300	4,000,000	1,708,300
	262,887,173	249,535,034	13,352,139
Deficiency of revenue over expenses	$ 6,091,665	$ -	$ 6,091,665

The budget was prepared by the School District and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

15. APPROVAL OF FINANCIAL STATEMENTS

The Board of Trustees has approved these financial statements.

16. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 110

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$235,989,842	$195,919,890	$25,217,195	$9,621,915	$5,230,842	$0
(2) **Alberta Infrastructure & Transportation**	$0	$0	$0			
(3) **Alberta Finance**	$787,086		$787,086			$0
(4) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$1,989,876	$996,025	$0	$0	$0	$993,851
(6) **Other Alberta school authorities**	$155,281	$155,281	$0	$0	$0	$0
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$8,341,117	$8,341,117				
(10) **Transportation fees**	$2,689,394			$2,689,394		
(11) **Other sales and services**	$5,071,709	$4,516,432	$0	$0	$0	$555,277
(12) **Investment income**	$490,850	$490,850	$0	$0	$0	$0
(13) **Gifts and donations**	$611,183	$611,183	$0	$0		$0
(14) **Rentals of facilities**	$2,447,093	$8,473	$2,294,624	$0	$143,996	$0
(15) **Net school generated funds**	$3,363,211	$3,363,211			$0	
(16) **Gains on disposal of capital assets**	$2,389,000	$0	$0	$0	$2,389,000	$0
(17) **Amortization of capital allocations**	$4,653,196	$0	$4,653,196	$0		$0
(18) **TOTAL REVENUES**	$268,978,838	$214,402,462	$32,952,101	$12,311,309	$7,763,838	$1,549,128
EXPENSES						
(19) **Certificated salaries**	$128,317,276	$128,026,132			$291,144	$0
(20) **Certificated benefits**	$15,088,143	$15,059,459			$28,684	$0
(21) **Uncertificated salaries and wages**	$46,015,950	$28,257,493	$11,093,209	$321,245	$5,165,646	$1,178,357
(22) **Uncertificated benefits**	$9,841,458	$6,258,217	$2,621,445	$54,566	$880,579	$26,651
(23) **SUB - TOTAL**	$199,262,827	$177,601,301	$13,714,654	$375,811	$6,366,053	$1,205,008
(24) **Services, contracts & supplies**	$52,964,331	$28,703,004	$11,714,089	$11,437,788	$913,619	$195,831
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$3,363,211	$3,363,211				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$4,653,196	$0	$4,653,196	$0	$0	$0
(28) Unsupported	$1,055,104	$467,401	$378,745	$0	$208,958	$0
(29) Total Amortization	$5,708,300	$467,401	$5,031,941	$0	$208,958	$0
Interest on capital debt						
(30) Supported	$787,086	$0	$787,086	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$317,703	$33,690	$0	$0	$275,208	$8,805
(33) Losses on disposal of capital assets	$483,715	$30,582	$453,133	$0	$0	$0
(34) **TOTAL EXPENSES**	$262,887,173	$210,199,189	$31,700,903	$11,813,599	$7,763,838	$1,409,644
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$6,091,665	$4,203,273	$1,251,198	$497,710	$0	$139,484

School Jurisdiction Code: 110

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$5,872,824
Base Instruction (Gr 1-12)	$152,312,726
Outreach Programs	$364,140
Home Education	$57,579
Differential Cost Funding *	$60,081,418
Other Provincial Support	
Institutional Programs	$106,957
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$337,115
Provincial Priority Targeted Funding	
Class Size Initiative	$6,333,050
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$3,807,688
High Speed Networking	$550,659
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$3,167,181
Other Alberta Education Revenues (describe): One time funding, expensed capital funding	$2,998,505
Total Alberta Education Revenues	$235,989,842

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 110

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$17,929,968	$12,481,354	$8,408,890		$0	$14,000	$38,834,212
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$5,161,074	$3,333,750	$967,124		$0		$9,461,948
ECS Program Unit (PUF)	$3,219,937	$1,675,998	$828,674		$0		$5,724,609
Severe Disabilities (Gr 1-12)	$1,866,415	$12,217,735	$192,474		$0		$14,276,624
English as a Second Language	$1,837,021	$131,425	$36,826		$0		$2,005,272
French Language Program & Francisation (all jurisdictions)	$199,063	$22,792	$200,884		$0		$422,739
First Nations, Metis and Inuit Education (ECS - Gr 12)	$613,378	$900,260	$520,566		$0		$2,034,204
Home Education	$76,000	$0	$8,090		$0		$84,090
Institutional Programs	$111,925	$834	$27,279		$0		$140,038
Alberta Initiative for School Improvement	$3,165,151	$70,303	$452,961	$119,273	$0		$3,807,688
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$854,579		$0		$854,579
Class Size	$6,333,050	$0	$180	$0	$0		$6,333,230
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$102,572,609	$3,681,260	$12,817,032	$3,268,171	$0	$3,880,884	$126,219,956
TOTAL EXPENSES	$143,085,591	$34,515,711	$25,315,559	$3,387,444	$0	$3,894,884	$210,199,189

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	72.0	88.9
ECS Program Unit (PUF)	42.3	44.7
Severe Disabilities (Gr 1-12)	24.5	325.8

Note: 1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 110

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES			**$262,887,173**
STEP 1			
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses			
If "Total Net Enrolled Students" are 6,000 and over	= 4%		**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%		
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.			
EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.			
Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.			
STEP 2			
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses			
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES			$10,515,487
Considerations for Charter Schools and Small School Boards:			
If **Charter School**, enter $57,222		$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment		29,959	
		$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT			**$10,515,487**
Less: 2005/2006 Board and System Administration expenses			-$7,763,838
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT			$2,751,649

School Jurisdiction Code: 110

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$0
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$788,934	$0	$788,934	
Student fees (Non-Instructional) (Note 2)	$0	$0	$0	
Donations and grants to schools	$2,574,277	$0	$2,574,277	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$3,363,211	$0		$3,363,211
Net SGF Available for Spending				$3,363,211
Application of Net School Generated Funds:				
Extra-curricular activities			$1,106,934	
School site beautification			$195,503	
Field Trips			$756,128	
Equipment			$1,158,925	
Family literacy and other community resources			$145,721	
Other (describe):			$0	
Net SGF Expended (Note 3)				$3,363,211
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 110

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$8,286,205	$1,827,690	$251,034	$181,088	$547,192	$11,093,209		$11,093,209
Uncertificated benefits	$1,962,047	$539,181	$13,337	$0	$106,880	$2,621,445		$2,621,445
Sub-total Remuneration	$10,248,252	$2,366,871	$264,371	$181,088	$654,072	$13,714,654		$13,714,654
Contracted Services	$411,202	$772,723	$110,649	$2,584,710	$111,464	$3,990,748		$3,990,748
Supplies	$415,204	$1,040,336	$110,739	$24,923	$27,154	$1,618,356		$1,618,356
Electricity			$2,586,838			$2,586,838		$2,586,838
Natural Gas/Heating Fuel			$2,694,384			$2,694,384		$2,694,384
Sewer and Water			$389,407			$389,407		$389,407
Telecommunications			$75,403			$75,403		$75,403
Insurance					$358,953	$358,953		$358,953
Amortization of capital assets								
Supported							$4,653,196	$4,653,196
Unsupported						$378,745		$378,745
Total Amortization						$378,745	$4,653,196	$5,031,941
Interest on capital debt								
Supported							$787,086	$787,086
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$453,133		$453,133
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$11,074,658	$4,179,930	$6,231,791	$2,790,721	$1,151,643	$26,260,621	$5,440,282	$31,700,903
SQUARE METRES								
School Buildings								404,042.7
Non School Buildings								46,538.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 110

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Debbie Cavaliere	1.0	$39,268	$1,123	$0			$40,391	$4,622
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Judy Buddle	1.0	$24,384	$631	$0			$25,015	$3,816
Name	Debbie Engel	1.0	$32,837	$910	$0			$33,747	$11,595
Name	Patrick MacDonald	1.0	$20,441	$732	$0			$21,173	$2,183
Name	Mark Razzolini	1.0	$23,393	$598	$0			$23,991	$4,127
Name	Janice Sarich	1.0	$26,991	$717	$0			$27,708	$4,526
Name	Jim Urlacher	1.0	$23,311	$213	$0			$23,524	$5,590
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$190,625*	*$4,924*	*$0*			*$195,549*	*$36,459*
Superintendent	Joan Carr (February 28, 2006 - August 31, 2006)	0.5	$82,545	$2,400	$2,400	$0	$0	$87,345	$75
Superintendent	Dale Ripley (September 1, 2005 - February 27, 2006)	0.5	$120,240	$2,570	$3,300	$0	$89,048	$215,158	$79
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Andrea Klotz	1.0	$66,731	$9,987	$0	$0	$0	$76,718	$571
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Andrew Isbister	1.0	$134,529	$16,347	$0	$0	$0	$150,876	$2,260
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		1,826.4	$128,114,491	$15,083,173	$0	$0	$0	$143,197,664	
Uncertificated Salaries & Wages		795.0	$45,624,065	$9,810,200	$0	$0	$0	$55,434,265	
TOTALS			**$174,333,226**	**$24,929,601**	**$5,700**	**$0**	**$89,048**	**$199,357,575**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 3020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

EDMONTON SCHOOL DISTRICT NO.7

Legal Name of School Jurisdiction

ONE KINGSWAY, EDMONTON, AB T5H 4G9

Mailing Address

TEL.NO: (780) 429-8000 FAX NO: (780) 429-8318

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules EDMONTON SCHOOL DISTRICT NO 7 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

B. ESSLINGER	ORIGINAL SIGNED
Name	Signature

SUPERINTENDENT

L. THOMSON	ORIGINAL SIGNED
Name	Signature

SECRETARY TREASURER OR TREASURER

D.R. POWER	ORIGINAL SIGNED
Name	Signature

DECEMBER 12, 2006
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3020

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Chartered Accountants
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Edmonton AB T5J 3V8
Canada

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AUDITORS' REPORT

To the Trustees of the Edmonton School District No. 7

We have audited the statement of financial position of the Edmonton School District No. 7 as at August 31, 2006 and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended. These financial statements have been prepared to comply with the accounting requirements prescribed by Alberta Education in the Guidelines for the School Jurisdiction Audited Financial Statements for the Year Ended August 31, 2006. These financial statements, which are presented in the format prescribed by Alberta Education, are the responsibility of the School Board's Administration. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Trustees of the District and the Minister of Education of Alberta for complying with Alberta Education's Guidelines for the School Jurisdiction Audited Financial Statements for the Year Ended August 31, 2006. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

KPMG LLP

Chartered Accountants

Edmonton, Canada
November 3, 2006

KPMG LLP, a Canadian limited liability partnership is the Canadian
member firm of KPMG International, a Swiss cooperative.

School Jurisdiction Code: 3020

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005 Restated
ASSETS			
Current assets			
Cash and temporary investments		$23,301,767	$3,821,459
Accounts receivable (net after allowances)		$10,937,015	$20,205,220
Prepaid expenses		$1,149,099	$1,010,788
Other current assets		$5,486,363	$5,323,002
Total current assets		$40,874,244	$30,360,469
School generated assets		$3,999,386	$4,373,302
Trust assets		$649,559	$639,986
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$837,590	$837,590
Buildings	$617,344,802		
Less: accumulated amortization	($366,537,401)	$250,807,401	$259,601,762
Equipment	$208,598,991		
Less: accumulated amortization	($182,241,212)	$26,357,779	$29,703,900
Vehicles	$2,611,289		
Less: accumulated amortization	($2,041,745)	$569,544	$559,442
Total capital assets		$278,572,314	$290,702,694
TOTAL ASSETS		$324,095,503	$326,076,451
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$24,201,828	$23,534,903
Deferred revenue		$4,782,359	$5,883,361
Deferred capital allocations		$2,581,446	$978,232
Current portion of all long term debt		$4,896,727	$5,868,844
Total current liabilities		$36,462,360	$36,265,340
School generated liabilities		$3,999,386	$4,373,302
Trust liabilities		$649,559	$639,986
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$24,360,551	$29,166,009
	Less: Current portion of supported debt	($4,595,157)	($4,805,458)
Unsupported:	Debentures and Capital Loans	$2,242,030	$3,305,416
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($301,570)	($1,063,386)
Other long term liabilities		$143,777	$137,981
Unamortized capital allocations		$164,015,101	$167,561,809
Total long term liabilities		$190,513,677	$199,315,659
TOTAL LIABILITIES		$226,976,037	$235,580,999
NET ASSETS			
Unrestricted net assets		$5,605,644	($1,715,840)
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$5,605,644	($1,715,840)
Investment in capital assets		$87,810,856	$90,531,479
Capital Reserves		$3,702,966	$1,679,813
Total Capital Funds		$91,513,822	$92,211,292
Total net assets		$97,119,466	$90,495,452
TOTAL LIABILITIES AND NET ASSETS		$324,095,503	$326,076,451

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 3020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006 Restated	Actual 2005 Restated
REVENUES			
Government of Alberta	$586,607,940	$567,697,265	$564,238,815
Federal Government and/or First Nations	$2,232,600	$1,326,826	$1,998,782
Other Alberta school authorities	$4,364,642	$2,400,719	$2,329,647
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$3,375,092	$2,098,158	$3,180,759
Transportation fees	$6,704,985	$6,849,040	$5,726,171
Other sales and services	$17,389,327	$17,037,281	$21,076,769
Investment income	$1,059,827	$0	$711,440
Gifts and donations	$4,640,589	$1,134,916	$4,346,401
Rentals of facilities	$2,704,084	$1,792,011	$2,761,147
Net school generated funds	$13,934,693	$13,694,095	$13,044,784
Gains on disposal of capital assets	$1,875,914	$0	($26,925)
Amortization of capital allocations	$11,081,895	$12,345,000	$11,789,717
Total Revenues	$655,971,588	$626,375,311	$631,177,507
EXPENSES			
Certificated salaries	$324,562,584	$304,125,068	$317,783,869
Certificated benefits	$35,729,255	$37,103,259	$35,194,765
Uncertificated salaries and wages	$122,450,544	$107,266,150	$117,183,057
Uncertificated benefits	$27,291,871	$22,525,892	$25,143,711
Services, contracts and supplies	$98,936,964	$115,991,716	$102,727,050
Net school generated funds	$13,934,692	$13,694,095	$13,044,784
Capital and debt services			
Amortization of capital assets			
Supported	$11,081,895	$12,345,000	$11,789,717
Unsupported	$13,144,290	$14,906,000	$13,888,619
Total Amortization of capital assets	$24,226,185	$27,251,000	$25,678,336
Interest on capital debt			
Supported	$2,622,307	$2,622,749	$3,148,805
Unsupported	$112,488	$111,251	$197,230
Total interest on capital debt	$2,734,795	$2,734,000	$3,346,035
Other interest charges	$231,026	$500,000	$74,800
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$650,097,916	$631,191,180	$640,176,407
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$5,873,672	($4,815,869)	($8,998,900)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$5,873,672	($4,815,869)	($8,998,900)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 3020

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$5,873,672	($8,998,900)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($11,081,895)	($11,789,717)
Total amortization expense	$24,226,185	$25,678,336
Gains on disposal of capital assets	($1,875,914)	$26,925
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$9,268,205	$7,799,201
Prepaids and other current assets	($301,672)	($257,694)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$666,925	($6,596,680)
Deferred revenue	($1,101,002)	($1,325,017)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$25,674,504	$4,536,454
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($6,870,413)	($17,977,294)
Equipment	($5,375,340)	($7,203,966)
Vehicles	($108,285)	($51,475)
Net proceeds from disposal of capital assets	$2,120,606	$30,766
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($10,233,432)	($25,201,969)
C. FINANCING ACTIVITIES		
Capital allocations	$5,055,112	$13,135,570
Issue of long term debt	$0	$0
Repayment of long term debt	($5,868,844)	($6,784,116)
Add back: supported portion	$4,805,458	$5,721,731
Other (describe) Transferred from Invest. in Cap. Assets	$47,510	$0
Total sources (uses) of cash from Financing activities	$4,039,236	$12,073,185
Net sources (uses) of cash during year	$19,480,308	($8,592,330)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$3,821,459	$12,413,789
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$23,301,767	$3,821,459

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 3020

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 200

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$90,627,690	$90,663,717	($1,715,840)	$1,679,813	$0	$0	$0	$0	$0	$1,679,813	$0	$0	$0	$0
Prior period adjustments (describe)														
Asset Retirement Obligation	($137,981)	($137,981)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Asset Retirement Cost	$12,761	$12,761	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Accumulated Amort. Of Asset Retirer	($7,018)	($7,018)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$90,495,452	$90,531,479	($1,715,840)	$1,679,813	$0	$0	$0	$0	$0	$1,679,813	$0	$0	$0	$0
Excess(def) of revenue over expenses	$5,873,672		$5,873,672											
Board funded capital transactions		$9,596,567	($9,596,567)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$8,406	$8,406												
Amortization of capital assets		($24,226,185)	$24,226,185											
Amortization of capital allocations		$11,081,895	($11,081,895)											
Disposal of unsupported capital assets	$0	($244,692)	($1,875,914)	$2,120,606		$0		$0		$2,120,606		$0		$0
Disposal of supported capital assets (board funded portion)	$741,936	$0	$741,936	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$1,063,386	($1,063,386)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($483,146)	$483,146		$0		$0		$483,146		$0		$0
Net transfers from capital reserves			$580,599	($580,599)		$0		$0		($580,599)		$0		$0
Balance at August 31, 2006	$97,119,466	$87,810,856	$5,605,644	$3,702,966	$0	$0	$0	$0	$0	$3,702,966	$0	$0	$0	$0

School Jurisdiction Code: 3020

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$978,232	$167,561,809
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$978,232	$167,561,809
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$4,046,275	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$1,008,837	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$47,510
Current Year Debenture Principal Repayment		$4,805,458
Expended capital allocations - current year	($2,709,961)	$2,709,961
Less:		
Net book value of supported capital assets disposition, write-off, or transfer; Other	$741,937	$27,742
Capital allocations amortized to revenue		$11,081,895
Balance at August 31, 2006	$2,581,446	$164,015,101

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

NOTES TO FINANCIAL STATEMENTS

August 31, 2006
(amounts in thousands)

1. Authority and purpose

Edmonton School District No. 7 (the District) is empowered to provide public education through bylaws approved by its Board of Trustees and pursuant to the provisions of the Alberta School Act.

2. Significant accounting policies

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the accounting requirements prescribed by the Alberta Education in the "Guidelines for the School Jurisdiction Audited Financial Statements for the Year Ended August 31, 2006". The basis of accounting used in these financial statements materially differs from Canadian generally accepted accounting principles because asset retirement obligations for school buildings, where it is likely that provincial funding would be forthcoming at the time of retirement for a replacement school or major modification, is not recorded because it is expected the forthcoming capital funding would fund the asset retirement obligation. The impact of this difference has been estimated at $61,764.4, as disclosed in note 12.

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Capital assets

Capital assets are recorded at original cost and commencing in the year following the year of acquisition, amortization is recorded on a straight-line basis over the estimated useful lives of the assets using the following rates:

Buildings and site improvements	2.5% to 10%
Furniture and equipment	10% and 20%
Vehicles	10%

Revenue recognition

The District receives funds from the province for instruction, support and capital purposes under Alberta Government Regulations.

Grants from the province that are restricted for the acquisition of capital assets are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are amortized on the same basis and at the same rates as are applied to amortization of the cost of the assets. The accumulated surplus is not impacted as the additional income is offset by the additional capital asset amortization expense of an equal amount.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction has been met.

Contributed services

Volunteers assist schools operated by the District in carrying out certain activities. Because of the difficulty of determining the fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Inventories

Inventories consist of supplies valued at the lower of average cost or net realizable value.

Financial Instruments

The District's financial instruments consist of cash, accounts receivable, accounts payable and accruals; trust funds and long-term debt. It is the management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The District has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the *Trustees Act*.

Capital Reserve

An amount equal to the net proceeds of sale of capital assets and interest generated by these funds is transferred to the capital reserve. The utilization of the reserve is restricted to capital expenditures under external restrictions or internal restrictions at the discretion of the Board of Trustees.

Asset Retirement Obligations

The District now recognizes the fair value of a future asset retirement obligation, for obligations which provincial funding will not likely be received, as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development and/or normal use of the assets. The District concurrently recognizes a corresponding increase in the carrying amount of the related long-lived asset that is amortized over the life of the asset. The fair value of the asset retirement obligation is estimated using quoted market prices where markets are available or the expected cash flow approach that reflects a range of possible outcomes discounted at a credit-adjusted risk-free interest rate.

Subsequent to the initial measurement, the asset retirement obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated market value or future cash flows underlying the obligation. Changes in the obligation due to the changes in estimated market value or cash flows are recognized as an adjustment of the carrying amount of the related long-lived asset that is amortized over the remaining life of the asset.

The recording of the asset retirement obligations represents a change in accounting policy. The effects of this change were not material to the overall financial statements of the District. This change has been applied retroactively and the 2005 comparative information has been restated to effect this change. The liability at August 31, 2006 and 2005 was $143.8 and $138.0 respectively. The adjustment to investment in capital assets at August 31, 2006 and 2005 as a result of this change was $0.3 and $132.2 respectively.

Pensions

The current service and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the District does not make pension contributions for certificated staff.

The District participates in the Local Authorities Pension Plan, which is a multi-employer pension plan. The service costs for employees for the current year of $7,657 (2005 - $6,813) are included in these statements and comprise the District costs of employer contribution.

3. Related party transactions

Alberta Education and Alberta Infrastructure are the departments of the Government of Alberta which administer education, various school boards and school board infrastructure funding.

The Edmonton School District No. 7's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2006
(amounts in thousands)

The District had the following transactions with Alberta Education, Alberta Infrastructure and Alberta Finance.

	2006	2005
Alberta Education		
Funding Received	$ 572,530	$ 550,913
Alberta Infrastructure		
Infrastructure Maintenance Program	7,290	6,576
Modernization Block Funding Program	844	89
Capital Allocations	5,055	13,135
	13,189	19,800
Alberta Finance		
Capital Block - supported capital debt interest	2,622	3,149
Capital Block - supported capital debt principal repayment	4,806	5,722
	7,428	8,871
Other	3,322	3,511
Total funding received	$ 596,469	$ 583,095

4. Accounts Receivable

Accounts receivable comprises:

	2006	2005
Province of Alberta	$ 8,226	$ 16,362
Federal Government	1,603	1,204
Other Alberta School Jurisdictions	584	51
Other	524	2,588
Total	$ 10,937	$ 20,205

5. School generated funds

(a) School generated assets arise from the receipt of monies for various services and activities offered by individual schools such as student unions, yearbooks, instructional materials, textbook rentals, field trips and fundraising projects of various types. Any excess of receipts over disbursements from these services and activities is placed on deposit with various chartered banks and is available for future use by the schools.

	2006	2005
School generated assets		
Cash	$ 5,965	$ 6,426
Term deposits	1,182	1,334
	7,147	7,760

NOTES TO FINANCIAL STATEMENTS . . . continued
August 31, 2006
(amounts in thousands)

Inventory		
Bookstore	18	15
Cafeteria	1	2
	19	17
Refundable deposits and advance fees	(3,167)	(3,404)
Net Assets and Funds	$ 3,999	$ 4,373

(b) School Generated Funds revenue and expenses have been reported net of cost recoveries as follows:

	2006	2005
Total School Generated Funds	$ 15,596	$ 15,050
Less: Related cost recoveries	1,661	2,005
Net	$ 13,935	$ 13,045

6. Capital Assets

	2006			2005
	Cost	Accumulated Amortization	Carrying Value	Carrying Value
Land	$ 838	-	$ 838	$ 838
Buildings and site improvements	617,345	366,537	250,808	259,602
Furniture and equipment	208,599	182,241	26,358	29,704
Vehicles	2,611	2,042	569	559
	$ 829,393	$ 550,820	$ 278,573	$ 290,703

7. Accounts payable and accruals

Accounts payable and accruals comprises:

	2006	2005
Province of Alberta	$ 1,622	$ 1,785
Federal Government	884	1,053
Alberta Municipalities	-	9
Other	21,696	20,688
Total	$ 24,202	$ 23,535

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2006
(amounts in thousands)

8. Deferred Revenue

Deferred revenue comprises:

	2006	2005
Foreign Students Fees	$ 3,452	$ 3,030
Parkade Plant Operations & Maint. Funding	-	250
Funding for Amiskwaciy Academy	-	571
Deferred Block Funding Revenue	233	787
Metro Continuing Education Fees	449	520
Curriculum & Programs	180	203
District Technology	289	375
Other	179	147
Total	$ 4,782	$ 5,883

Change in deferred revenue during the year:

	2006	2005
Balance at beginning of year	$ 5,883	$ 7,208
Add: Funding received during the year	17,439	27,689
	23,322	34,897
Less: Amount recognized as revenue for the year	18,540	29,014
Balance at end of year	$ 4,782	$ 5,883

9. Long-Term Debt

Principal payments and interest for the next five years and to maturity on debenture debt outstanding at August 31, 2006 are approximately as follows:

Year Ending August 31	Principal	Interest	Total
2007	$ 4,896	$ 2,476	$ 7,372
2008	4,718	2,002	6,720
2009	4,339	1,547	5,886
2010	3,928	1,134	5,062
2011	3,409	766	4,175
2012 – maturity	5,312	743	6,055
Total	$ 26,602	$ 8,668	$ 35,270

NOTES TO FINANCIAL STATEMENTS . . . *continued*

August 31, 2006
(amounts in thousands)

Interest is payable at various rates ranging from 4.038% to 12.0% on the total long-term debt of:

	2006	2005
Total debenture debt	$ 26,602	$ 32,471
Due within one year	4,896	5,869
	$ 21,706	$ 26,602

The total district debenture debt will be repaid by the year 2015. The fair value of long-term debt does not differ significantly from its carrying value.

The current portion of long-term debt includes amounts payable by Alberta Finance for supported debt principal. As this amount is not payable by the District, the District's working capital has been increased as follows:

	2006	2005
Working Capital (Deficiency) Surplus per statements	$ 6,994	$ (4,926)
Supported Current Portion of long-term debt	4,595	4,806
	$ 11,589	$ (120)

The District paid $3,018 (2005 - $3,660) interest on long-term debt in the year.

10. Deferred Capital Allocations

Capital allocations received for qualifying capital projects initiated by the District have been capitalized. These allocations are transferred to unamortized capital allocations as the capital expenditure is incurred. Details of the changes in the deferred capital allocations account are as follows:

	2006	2005
Balance at beginning of year	$ 978	$ 1,599
Allocations received and receivable during the year	4,313	12,331
Transfers to Unamortized Capital Allocations	(2,710)	(12,952)
Balance at end of year	$ 2,581	$ 978

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2006
(amounts in thousands)

11. Unamortized Capital Allocations

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in supported capital assets other than land and equipment purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the related amortization expense being deducted. Transfers from deferred capital allocation account also increase the balance in the UCA account. Details of the changes to the account are as follows:

	2006	2005
Balance at beginning of year	$ 167,562	$ 159,874
Supported Debenture Principal Repayment	4,806	5,722
Transfer from Investment in Capital Assets (Net)	33	804
Retirement of Asset – net	(14)	-
Transfer from Deferred Capital Allocations	2,710	12,952
Transfer to Capital Allocation Revenue	(11,082)	(11,790)
Balance at end of year	$ 164,015	$ 167,562

12. Asset Retirement Obligation

Edmonton School District No. 7 has asset retirement obligations in respect of school and non-school buildings owned by the District. In accordance with the Alberta Education guidelines for the preparation of financial statements for year ended August 31, 2006, the District has recognized the estimated liability required to settle the obligation in respect of the non-school buildings of $143.8. In determining the obligation, a credit-adjusted, risk free rate of 4.2% was used. Accretion expense of $5.8 (2005 - $5.6) incurred in the year is included in supplies and materials.

	2006	2005
Asset retirement obligation at beginning of year	$ 138	$ -
Liability recognized in the year	-	132
Accretion expense in the year	6	6
Asset retirement obligation at end of year	$ 144	$ 138

The asset retirement obligation in respect of school buildings has not been recognized to comply with Alberta Education guidelines. The estimated liability for school buildings is $61,764.4 (2005 - $61,211.9) determined, using a credit-adjusted risk free rate of 4.2%. The Province of Alberta is expected to fund asset retirement expense in respect of school buildings as a part of capital project grant funding.

13. Commitments

a) Building Projects: The District is committed to further capital expenditures for the new construction and modernization projects of approximately $69,009 (2005 - $34,785). It is anticipated that these costs will be fully funded by the capital allocations from Alberta Education.

b) Lease of Premises: The district is committed to lease of premises for the following years:

Year Ending August 31	2006	2005
2007	$ 2,258	$ 2,258
2008	2,098	2,098
2009	1,428	1,428
2010	1,365	1,365
2011	1,219	1,219
2012 – Thereafter	15,000	15,000
Total	$ 23,368	$ 23,368

c) Purchase Order commitments: As at August 31, 2006 the district has $2,376 (2005 - $3,863) outstanding purchase orders relating to services and contracts.

14. The Urban Schools Insurance Consortium

The District is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from the insurers favorable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The District's share of the accumulated consortium funds as at August 31, 2006 was $1,918 (2005 - $ 2,102). This amount has not been recognized in the district's financial statements, as the revenue has not been realized by the District.

15. Comparative Figures

The comparative figures for 2005 have been reclassified where necessary, to conform to the current year's presentation. The comparative figures for 2005 Statement of Financial Position, Statement of Revenues and Expenditures and for Statement of Cash Flows have been reclassified to conform to the current presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 3020

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$580,663,747	$471,728,152	$59,677,315	$17,502,701	$22,901,195	$8,854,384
(2) **Alberta Infrastructure & Transportation**	$0	$0	$0			
(3) **Alberta Finance**	$2,622,308		$2,622,308			$0
(4) **Other - Government of Alberta**	$3,321,885	$1,164,970	$0	$0	$132,875	$2,024,040
(5) **Federal Government and/or First Nations**	$2,232,600	$1,672,183	$0	$0	$89,304	$471,113
(6) **Other Alberta school authorities**	$4,364,642	$759,531	$0	$10,942	$174,586	$3,419,583
(7) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) **Instruction resource fees**	$3,375,092	$3,375,092				
(10) **Transportation fees**	$6,704,985			$6,704,985		
(11) **Other sales and services**	$17,389,327	$10,368,557	$226,306	$0	$695,573	$6,098,891
(12) **Investment income**	$1,059,827	$1,017,434	$0	$0	$42,393	$0
(13) **Gifts and donations**	$4,640,589	$4,640,589	$0	$0		$0
(14) **Rentals of facilities**	$2,704,084	$2,009,319	$0	$0	$108,163	$586,602
(15) **Net school generated funds**	$13,934,693	$13,377,305			$557,388	
(16) **Gains on disposal of capital assets**	$1,875,914	$0	$1,800,877	$0	$75,037	$0
(17) **Amortization of capital allocations**	$11,081,895	$0	$11,081,895	$0		$0
(18) **TOTAL REVENUES**	$655,971,588	$510,113,132	$75,408,701	$24,218,628	$24,776,514	$21,454,613
EXPENSES						
(19) **Certificated salaries**	324,562,584	$315,704,658			$2,640,415	$6,217,511
(20) **Certificated benefits**	$35,729,255	$34,667,464			$303,255	$758,536
(21) **Uncertificated salaries and wages**	$122,450,544	$69,731,945	$33,230,983	$513,425	$11,419,305	$7,554,886
(22) **Uncertificated benefits**	$27,291,871	$16,640,847	$7,198,502	$101,935	$1,939,603	$1,410,984
(23) **SUB - TOTAL**	$510,034,254	$436,744,914	$40,429,485	$615,360	$16,302,578	$15,941,917
(24) **Services, contracts & supplies**	$98,936,964	$37,450,188	$27,998,846	$23,641,081	$4,334,153	$5,512,696
(25) **Cost recoveries between programs**	$0	$0	$0	$0	$0	$0
(26) **Net school generated funds**	$13,934,692	$13,934,692				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$11,081,895	$0	$11,081,895	$0	$0	$0
(28) Unsupported	$13,144,290	$8,953,992	$3,982,623	$9,201	$198,474	$0
(29) Total Amortization	$24,226,185	$8,953,992	$15,064,518	$9,201	$198,474	$0
Interest on capital debt						
(30) Supported	$2,622,307	$642,465	$1,864,985	$14,160	$100,697	$0
(31) Unsupported	$112,488	$0	$112,488	$0	$0	$0
(32) Other interest charges	$231,026	$231,026	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$650,097,916	$497,957,277	$85,470,322	$24,279,802	$20,935,902	$21,454,613
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$5,873,672	$12,155,855	($10,061,621)	($61,174)	$3,840,612	$0

School Jurisdiction Code: 3020

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$13,301,304
Base Instruction (Gr 1-12)	$366,267,129
Outreach Programs	$312,120
Home Education	$905,585
Differential Cost Funding *	$145,693,341
Other Provincial Support	
Institutional Programs	$5,582,907
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$2,737,128
Learning Resources Credit Allocation	$510,814
Provincial Priority Targeted Funding	
Class Size Initiative	$18,446,392
Student Health Initiative (SHI)	$1,373,973
Alberta Initiative for School Improvement (AISI)	$9,799,500
High Speed Networking	$1,382,543
Children and Youth with Complex Needs	$53,794
Infrastructure Maintenance Renewal (IMR)	$8,133,864
Other Alberta Education Revenues (describe): see attchment for detailed listing	$6,163,353
Total Alberta Education Revenues	$580,663,747

[*] Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 3020

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$42,343,787	$1,758,390	$1,509,951		$0	$0	$45,612,128
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$27,996,526	$11,193,385	$3,869,157		$0		$43,059,068
ECS Program Unit (PUF)	$3,848,323	$12,689,552	$1,758,664		$0		$18,296,539
Severe Disabilities (Gr 1-12)	$12,185,060	$12,222,514	$1,356,849		$0		$25,764,423
English as a Second Language	$1,478,980	$3,357,057	$632,598		$0		$5,468,635
French Language Program & Francisation (all jurisdictions)	$265,410	$97,667	$91,099		$0		$454,176
First Nations, Metis and Inuit Education (ECS - Gr 12)	$3,715,779	$1,629,879	$1,851,032		$0		$7,196,690
Home Education	$641,265	$145,797	$584,129		$0		$1,371,191
Institutional Programs	$4,605,898	$653,200	$323,809		$0		$5,582,907
Alberta Initiative for School Improvement	$6,334,571	$113,384	$4,272,704	$368,704	$0		$11,089,363
Student Health Initiative	$0	$1,202,639	$171,334		$0		$1,373,973
High Speed Networking			$1,382,543		$0		$1,382,543
Class Size	$18,446,392	$0	$0	$0	$0		$18,446,392
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$53,794		$0		$53,794
All Other Student Instruction Expenses (ECS - Gr 12)	$228,510,131	$41,309,328	$13,726,076	$5,106,681	$0	$23,761,856	$312,805,455
TOTAL EXPENSES	$350,372,122	$86,372,792	$31,583,739	$5,475,385	$0	$23,761,856	$497,957,277

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	367.3	159.8
ECS Program Unit (PUF)	87.5	198.2
Severe Disabilities (Gr 1-12)	299.1	325.8

Note:

[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on seperately

[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets

School Jurisdiction Code: 3020

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES	**$650,097,916**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$26,003,917
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$26,003,917**
Less: 2005/2006 Board and System Administration expenses		-$20,935,902
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$5,068,015

School Jurisdiction Code: 3020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-200

Unexpended SGF - Opening Balance August 31, 200 (Note 1)				$4,373,302
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$3,873,384	$1,663,264	$2,210,120	
Student fees (Non-Instructional) (Note 2)	$10,945,608	$0	$10,945,608	
Donations and grants to schools	$323,780	$0	$323,780	
Other (describe):	$83,815	$2,547	$81,268	
Net Additions to SGF	$15,226,587	$1,665,811		$13,560,776
Net SGF Available for Spending				$17,934,078
Application of Net School Generated Funds:				
Extra-curricular activities			$9,833,915	
School site beautification			$2,851	
Field Trips			$3,629,013	
Equipment			$0	
Family literacy and other community resources			$453,690	
Other (describe): I.D. Cards			$15,223	
Net SGF Expended (Note 3)				$13,934,692
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$3,999,386

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the*School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 3020

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$20,241,424	$10,521,221	$0	$0	$2,468,338	$33,230,983		$33,230,983
Uncertificated benefits	$4,741,761	$1,874,170	$0	$0	$582,571	$7,198,502		$7,198,502
Sub-total Remuneration	$24,983,185	$12,395,391	$0	$0	$3,050,909	$40,429,485		$40,429,485
Contracted Services	$188,117	$598,045	$657,352	$2,569,767	$62,982	$4,076,263		$4,076,263
Supplies	$2,193,867	$3,523,676	$0	$0	$552,196	$6,269,739		$6,269,739
Electricity			$6,057,507			$6,057,507		$6,057,507
Natural Gas/Heating Fuel			$7,995,079			$7,995,079		$7,995,079
Sewer and Water			$1,156,019			$1,156,019		$1,156,019
Telecommunications			$935,899			$935,899		$935,899
Insurance					$1,508,340	$1,508,340		$1,508,340
Amortization of capital assets								
Supported							$11,081,895	$11,081,895
Unsupported						$3,982,623		$3,982,623
Total Amortization						$3,982,623	$11,081,895	$15,064,518
Interest on capital debt								
Supported							$1,864,985	$1,864,985
Unsupported				$112,488		$0		$112,488
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$27,365,169	$16,517,112	$16,801,856	$2,682,255	$5,174,427	$72,410,954	$12,946,880	$85,470,322
SQUARE METRES								
School Buildings								1,058,644.0
Non School Buildings								82,972.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3020

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-2001

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	B. Esslinger	1.0	$36,814	$4,011	$2,625			$43,450	$9,835
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	D. Williams	1.0	$31,294	$965	$2,625			$34,884	$4,567
Name	G Nicholson	1.0	$28,966	$0	$2,625			$31,591	$4,548
Name	D. Fleming	1.0	$30,876	$4,842	$2,625			$38,343	$4,998
Name	G Gibeault	1.0	$31,032	$3,536	$2,625			$37,193	$3,900
Name	S. Hansen	1.0	$31,638	$0	$2,625			$34,263	$9,293
Name	W. Kaiver	1.0	$30,408	$4,523	$2,625			$37,556	$8,841
Name	D. Colburn	1.0	$28,007	$4,783	$2,625			$35,415	$7,754
Name	K. Gibson	1.0	$27,562	$3,694	$2,625			$33,881	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$276,597*	*$26,354*	*$23,625*			*$326,576*	*$53,736*
Superintendent	E. Schmidt	0.8	$134,753	$9,436	$22	$0	$0	$144,211	$4,186
Superintendent	A. McBeath	0.2	$199,685	$737	$0	$0	$0	$200,422	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	A. Sherwood	1.0	$90,815	$15,658	$2,625	$0	$0	$109,098	$7,829
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	D. Power	1.0	$127,707	$20,352	$2,625	$0	$0	$150,684	$4,197
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		4,425.7	$324,562,584	$35,729,255	$0	$0	$0	$360,291,839	
Uncertificated Salaries & Wages		2,875.4	$119,524,427	$27,219,334	$2,067,663	$0	$0	$148,811,424	
TOTALS			**$444,916,568**	**$63,021,126**	**$2,096,560**	**$0**	**$0**	**$510,034,254**	

Note: Please refer to completion information on page 15.

Note 1 - Comparison of Uncertificated Remuneration as it appears on Schedule A is as follows

Shedule G Uncertificated Remuneration	$119,524,427.00
Schedule G Uncertificated Remuneration Trustees	$276,597.00
Schedule G Uncertificated Remuneration Senior Staff	$552,960.00
Total Schedule G Uncertificated Remuneration	$120,353,984.00
Add Total Shedule G Allowances	$2,096,560.00
Total Schedule A Uncertificated Salaries and Wages	$122,450,544.00

School Jurisdiction Code: 46

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Elk Island Catholic School Division #41

Legal Name of School Jurisdiction

160 Festival Way; Sherwood Park; AB T8A 5Z2

Mailing Address

780-467-8896 (phone) 780-467-5469 (fax)

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Elk Island Catholic School Division #41 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Tony Sykora	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Doug Aitkenhead	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Alberta Hutchings	"ORIGINAL SIGNED"
Name	**Signature**

22-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 46

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AUDITORS' REPORT

To the Trustees of
Elk Island Catholic Separate Regional Division No. 41
Sherwood Park, Alberta

We have audited the statement of financial position of Elk Island Catholic Separate Regional Division No. 41 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Regional Division as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hawkings Epp Dumont LLP

Edmonton, Alberta
November 7, 2006

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Founding Partners
F.J. Bruha, CA (Deceased)
A.W. Whelan, CA (Retired)

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*Professional Corporation

School Jurisdiction Code: 46

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005 Restated-Note 2
ASSETS			
Current assets			
Cash and temporary investments		$4,421,440	$2,527,718
Accounts receivable (net after allowances)		$2,396,989	$3,286,773
Prepaid expenses		$121,479	$102,282
Other current assets		$0	$0
Total current assets		$6,939,917	$5,916,773
School generated assets		$815,682	$475,631
Trust assets		$62,267	$66,596
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,656,711	$1,656,711
Buildings	$62,970,438		
Less: accumulated amortization	($32,383,515)	$30,586,923	$30,618,107
Equipment	$5,481,646		
Less: accumulated amortization	($2,654,205)	$2,827,441	$2,757,001
Vehicles	$3,222,914		
Less: accumulated amortization	($1,862,415)	$1,360,498	$1,081,424
Total capital assets		$36,431,574	$36,113,243
TOTAL ASSETS		$44,049,440	$42,572,243
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,923,902	$3,142,173
Deferred revenue		$755,793	$1,124,414
Deferred capital allocations		$36,763	$383,056
Current portion of all long term debt		$1,264,981	$1,274,981
Total current liabilities		$4,981,439	$5,924,624
School generated liabilities		$815,682	$475,631
Trust liabilities		$62,267	$66,596
Employee future benefits liability		$766,493	$397,645
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$6,054,556	$7,319,638
Less: Current portion of supported debt		($1,264,981)	($1,264,981)
Unsupported: Debentures and Capital Loans		$0	$10,000
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	($10,000)
Other long term liabilities		$0	
Unamortized capital allocations		$25,609,053	$24,326,419
Total long term liabilities		$31,843,071	$31,320,848
TOTAL LIABILITIES		$36,824,510	$37,245,472
NET ASSETS			
Unrestricted net assets		$363,460	$363,458
Operating Reserves		$1,775,941	$414,162
Accumulated Operating Surplus (Deficit)		$2,139,401	$777,620
Investment in capital assets		$4,767,972	$4,457,294
Capital Reserves		$317,557	$91,857
Total Capital Funds		$5,085,529	$4,549,151
Total net assets		$7,224,930	$5,326,771
TOTAL LIABILITIES AND NET ASSETS		$44,049,440	$42,572,243

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 46

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006	Actual 2005 Restated-Note 2
REVENUES			
Government of Alberta	$43,894,404	$43,906,954	$41,738,219
Federal Government and/or First Nations	$99,160	$82,000	$5,987
Other Alberta school authorities	$698	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$390,064	$393,200	$309,373
Transportation fees	$118,294	$160,875	$113,830
Other sales and services	$1,209,980	$826,188	$933,410
Investment income	$184,131	$8,500	$99,005
Gifts and donations	$25,051	$21,750	$24,044
Rentals of facilities	$82,469	$38,900	$104,796
Net school generated funds	$95,243	$130,000	$182,739
Gains on disposal of capital assets	$16,486	$3,000	$7,800
Amortization of capital allocations	$2,015,342	$1,967,670	$1,932,176
Total Revenues	$48,131,324	$47,539,037	$45,451,379
EXPENSES			
Certificated salaries	$23,832,845	$23,919,650	$23,682,327
Certificated benefits	$3,097,658	$2,825,847	$2,816,755
Uncertificated salaries and wages	$7,533,836	$7,286,466	$7,561,325
Uncertificated benefits	$1,708,636	$1,358,090	$1,505,541
Services, contracts and supplies	$6,708,696	$8,765,267	$5,988,856
Net school generated funds	$95,243	$130,000	$182,739
Capital and debt services			
Amortization of capital assets			
Supported	$2,015,342	$1,967,670	$1,932,176
Unsupported	$530,467	$171,239	$469,256
Total Amortization of capital assets	$2,545,809	$2,138,909	$2,401,432
Interest on capital debt			
Supported	$699,897	$1,114,808	$840,788
Unsupported	$0	$0	$1,992
Total Interest on capital debt	$699,897	$1,114,808	$842,780
Other interest charges	$0	$0	$3,537
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$46,222,620	$47,539,037	$44,985,294
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,908,703	$0	$466,085
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$1,908,703	$0	$466,085

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 46

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005 Restated-Note 2
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$1,908,703	$509,468
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($2,015,342)	($1,932,176)
Total amortization expense	$2,545,809	$2,401,432
Gains on disposal of capital assets	($16,486)	($7,800)
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$889,784	$1,670,337
Prepaids and other current assets	($19,197)	$56,423
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($218,271)	($2,252,098)
Deferred revenue	($368,621)	$678,910
Employee future benefit expense (recovery)	$368,848	$397,645
Other (describe)	$0	$2
Total sources (uses) of cash from Operations	$3,075,228	$1,522,143
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,795,367)	($546,395)
Equipment	($615,938)	($966,505)
Vehicles	($463,379)	($515,948)
Net proceeds from disposal of capital assets	$16,486	$7,800
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,858,198)	($2,021,048)
C. FINANCING ACTIVITIES		
Capital allocations	$1,686,702	$947,601
Issue of long term debt	$0	$0
Repayment of long term debt	($1,274,982)	($1,283,387)
Add back: supported portion	$1,264,981	$1,273,387
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$1,676,701	$937,601
Net sources (uses) of cash during year	$1,893,731	$438,696
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,527,718	$2,089,022
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$4,421,449	$2,527,718

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 46

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$5,724,416	$4,457,294	$363,458	$903,664	$86,116	$12,264	$346,611	$10,932	$379,080	$0	$0	$68,661	$0	$0
Prior period adjustments (describe)														
Change in Accounting Policy (Note 2	($397,645)	$0	$0	($397,645)	$0	$0	($259,645)	$0	($138,000)	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$5,326,771	$4,457,294	$363,458	$506,019	$86,116	$12,264	$86,966	$10,932	$241,080	$0	$0	$68,661	$0	$0
Excess(def) of revenue over expenses	$1,908,703		$1,908,703											
Board funded capital transactions		$841,689	$0	($841,689)	($340,711)	$0	($234,174)	$0	($35,898)	$0	$0	($230,906)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,545,809)	$2,545,809											
Amortization of capital allocations		$2,015,342	($2,015,342)											
Disposal of unsupported capital assets	($10,544)	($10,544)	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0		$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$10,000	($10,000)											
Net transfers to operating reserves			($1,982,562)	$1,982,562	$1,510,386		$288,578		$183,598		$0		$0	
Net transfers from operating reserves			$10,000	($10,000)	$0		($10,000)		$0		$0		$0	
Net transfers to capital reserves			($456,606)	$456,606		$0		$200,000		$0		$256,606		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$7,224,930	$4,767,972	$363,460	$2,093,498	$1,255,791	$12,264	$131,370	$210,932	$388,780	$0	$0	$94,361	$0	$0

School Jurisdiction Code: 45

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$383,056	$24,326,419
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$383,056	$24,326,419
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$78,444	
Infrastructure & Transportation-School/Modular Project Capital *	$1,233,179	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$7,253	
Other capital grants and donations	$367,826	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$1,264,981
Expended capital allocations - current year	($2,032,995)	$2,032,995
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$2,015,342
Balance at August 31, 2006	$36,763	$25,609,053

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2006

1. AUTHORITY AND PURPOSE

The Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

2. CHANGE IN ACCOUNTING POLICY

During the year, the Division adopted the recommendations of the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3461 "Employee Future Benefits". This section requires that obligations for future employee benefits be recognized in the year in which the employee provides the service which entitles them to the future benefit. In prior years, the Division included these obligations in its internally restricted net assets (operating reserves).

This change in accounting policy has been applied retrospectively and the 2005 comparative figures have been restated. Consequently, at August 31, 2005, the Division's employee future benefits liability was increased by $397,645 and internally restricted net assets were decreased by $397,645. Additionally, 2005 uncertificated salaries and wages were increased by $43,383 and excess of revenues over expenses was decreased by $43,383.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Capital assets

Capital assets are recorded in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following annual rates:

Buildings	2.5% and 4%
Equipment and furniture	10% and 20%
Vehicles	10% and 20%

Only capital assets with a cost in excess of $5,000 are capitalized. Capital allocations received for capital asset additions are amortized into revenue over the same period as the related asset is amortized (see Note 9).

(c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

(d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The Division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $471,126 (2005 - $431,033) for the year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 - deficiency of $1,288,924,000).

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

(f) Prepaid Expenses

Certain expenditures incurred and paid for before the close of the school year are for school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(g) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Due to the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Employee Future Benefits

The Division accrues its obligations for employee future benefit plans and expenses the related costs as they are earned by employees. The cost of non-pension future employee benefits earned by employees is determined by management's best estimate.

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2006

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

5. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Municipalities	$ 1,016,456	$ 985,796
Alberta Infrastructure and Transportation	759,014	1,549,100
Alberta Finance	334,942	407,673
Other	151,314	207,083
Federal Government	127,588	101,251
Alberta Education	7,675	35,870
	$ 2,396,989	$ 3,286,773

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Division for three teachers who are on deferred salary leave plans and for three scholarship funds.

	2006	2005
Deferred salary leave plans	$ 30,766	$ 34,363
Scholarships	31,501	32,233
	$ 62,267	$ 66,596

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	2005
Alberta Education	$ 1,292,518	$ 1,277,251
Trade payables and accrued liabilities	969,347	1,095,250
Alberta Finance	334,942	408,074
Alberta Infrastructure and Transportation	203,123	203,123
Other Alberta School Jursidictions	123,583	123,583
Alberta Municipalities	-	34,193
Federal Government	389	699
	$ 2,923,902	$ 3,142,173

8. DEFERRED REVENUE

	2006	2005
Infrastructure Maintenance Renewal	$ 523,298	$ 629,375
Classroom Resources	-	135,000
Foreign student fees	83,706	113,726
Alberta Initiative for School Improvements	24,683	111,448
Transporation fees	85,796	71,865
Video-conferencing	26,796	60,000
LRC	11,514	3,000
	$ 755,793	$ 1,124,414

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or are receivable by the Division for which the related expenditure has not been made at year-end. When expended, deferred capital allocations are transferred to unamortized capital allocations.

10. EMPLOYEE FUTURE BENEFITS

The Division provides lump-sum retirement allowance payments to certain classes of eligible employees based on years of service and upon reaching the age of fifty-five. The Division recognized expenses with respect to these obligations during 2006 in the amount of $317,938 (2005 - $43,383). There were no benefit payments by the Division on behalf of these employees during 2006.

11. LONG-TERM DEBT

The debentures are held by the Alberta Municipal Financing Corporation and bear interest at rates ranging from 7.5% to 12.0%. The debenture debt is fully supported by Alberta Finance.

The following annual payments of principal are due on debenture debt:

2007	$ 1,264,981
2008	1,227,181
2009	1,051,969
2010	853,687
2011	715,926
2012 to maturity	940,812
	$ 6,054,556

12. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have to be amortized over the useful life of the related capital asset. Unamortized capital allocations are increased by transfers of previously deferred capital allocations expended, as well as fully-supported debenture principal repayments.

13. COMMITMENTS

The Division and Elk Island Public Schools Regional Division No. 14 ("the Tennant") have entered into a joint agreement with Strathcona County for the lease of the land on which the new Holy Spirit School is being constructed. The lease term commenced May 31, 2002 and extends to May 31, 2052. The base rent for the entire term of the lease is $1. The lease contains a renewal option of two (2) further terms of twenty-five (25) years each. Upon the expiration of the second renewal term, should the Tennant require the lands for active use in the operation of the Holy Spirit School, the County and the Tennant may agree to extend or renew the lease as mutually agreed to by both parties.

At the termination of the lease or the renewal terms, and subject to ministerial approval, the facility shall be surrendered to the County subject only to the County making payment equal to the market value of the facility.

14. CONTINGENCIES

(a) Contingent Liability

In 1975, the Division entered into an agreement with the Catholic Archdiocese of Edmonton. The Archdiocese provided funds to the Division for the construction and furnishing of school buildings and the Division granted the Archdiocese use of the space at times not usually needed by the Division. The agreement provides that if the agreement is terminated, the sums advanced by the Archdiocese shall be construed as a loan repayable without interest. Under this agreement, the Archdiocese advanced $104,620 for the construction of the Madonna Community Centre.

(b) Contingent Asset

The Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset which the Division can liquidate.

15. RELATED PARTY TRANSACTIONS

The Division is controlled by the Government of Alberta. Transactions between the Division and the Government of Alberta and related balances are disclosed on the Statement of Revenue and Expenses, Schedule A, the Statement of Financial Position, and in notes 5, 7, 8, and 11.

16. ECONOMIC DEPENDENCE

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. ADDITIONAL CASH FLOW INFORMATION

The Division's cash payments for interest on long-term debt during 2006 were $771,829 (2005 - $910,724)

The Division received cash interest payments of $180,311 during 2006.

18. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees. It is presented for information purposes only.

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

SCHEDULE OF SERVICES, CONTRACTS, AND SUPPLIES EXPENSES

FOR THE YEAR ENDED AUGUST 31, 2006

	2006	2005
Supplies and materials	$ 1,548,361	$ 1,209,990
Contract services	1,253,309	1,091,675
Utilities	1,145,673	1,049,157
Maintenance and repairs	743,653	596,354
Textbooks	222,705	108,454
Rentals	195,051	190,601
Professional development	191,356	205,699
Computer equipment	188,903	158,542
Insurance	180,195	188,642
Memberships and fees	146,438	140,103
Telephone	140,747	164,820
Out of District placements	125,888	184,286
Travel and subsistence	98,253	70,330
Professional services	87,894	162,554
Tuitions	65,581	64,173
Software	59,789	95,643
Library and media materials	59,287	45,759
External consulting services	45,748	51,774
Staff/community relations	42,933	44,726
Vehicles	34,188	31,160
Advertising	22,309	20,943
Postage fees	19,899	16,711
Furniture and equipment	19,570	34,796
Student transportation	18,377	12,716
Standard testing	16,323	12,861
Cancopy license	13,948	14,285
Printing and binding services	11,716	13,870
Bank charges	4,632	-
Test library	2,724	5,897
Mobile radio licenses	1,981	1,981
Contingency	982	-
Other	283	356
	$ 6,708,696	$ 5,988,858

SCHEDULE A to the AFS

School Jurisdiction Code 46

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) Alberta Education	$42,674,945	$34,185,978	$4,319,303	$2,408,646	$1,761,018	$0
(2) Alberta Infrastructure & Transportation	$512,998	$0	$512,998			
(3) Alberta Finance	$699,198		$699,198			$0
(4) Other - Government of Alberta	$7,263	$0	$7,263	$0	$0	$0
(5) Federal Government and/or First Nations	$99,160	$97,181	$1,979	$0	$0	$0
(6) Other Alberta school authorities	$698	$698	$0	$0	$0	$0
(7) Out of province authorities	$0	$0		$0	$0	$0
(8) Alberta municipalities (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9) Instruction resource fees	$390,064	$390,064				
(10) Transportation fees	$118,294			$118,294		
(11) Other sales and services	$1,209,980	$224,509	$9,615	$89,307	$62,176	$824,173
(12) Investment income	$184,131	$122,145	$48,928	$1,619	$11,440	$0
(13) Gifts and donations	$25,051	$25,051	$0	$0		$0
(14) Rentals of facilities	$82,469	$5,520	$75,286	$1,662	$0	$0
(15) Net school generated funds	$95,243	$95,243			$0	
(16) Gains on disposal of capital assets	$16,486	$12,457	$0	$4,029	$0	$0
(17) Amortization of capital allocations	$2,015,342	$55,570	$1,959,772	$0		$0
(18) TOTAL REVENUES	$48,131,324	$35,214,416	$7,634,544	$2,623,557	$1,834,633	$824,173
EXPENSES						
(19) Certificated salaries	$23,832,845	$23,194,906			$244,638	$393,302
(20) Certificated benefits	$3,097,658	$2,920,231			$138,794	$38,633
(21) Uncertificated salaries and wages	$7,533,836	$3,948,816	$1,693,538	$869,349	$747,756	$274,377
(22) Uncertificated benefits	$1,708,636	$838,525	$416,631	$266,245	$140,709	$46,524
(23) SUB - TOTAL	$36,172,975	$30,902,479	$2,110,169	$1,135,595	$1,271,896	$752,836
(24) Services, contracts & supplies	$6,708,696	$2,689,891	$2,332,805	$1,229,747	$384,916	$71,337
(25) Cost recoveries between programs	$0	($39,155)	$43,323	$1,609	($5,777)	$0
(26) Net school generated funds	$95,243	$95,243				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$2,015,342	$55,570	$1,959,772	$0	$0	$0
(28) Unsupported	$530,467	$217,546	$122,704	$158,291	$31,926	$0
(29) Total Amortization	$2,545,809	$273,116	$2,082,476	$158,291	$31,926	$0
Interest on capital debt						
(30) Supported	$699,897	$0	$699,897	$0	$0	$0
(31) Unsupported	$0	$0	$0	$0	$0	$0
(32) Other interest charges	$0	$0	$0	$0	$0	$0
(33) Losses on disposal of capital assets	$0		$0	$0	$0	$0
(34) TOTAL EXPENSES	$46,222,620	$33,921,574	$7,268,671	$2,525,242	$1,682,961	$824,173
(35) EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM	$1,908,703	$1,292,842	$365,873	$98,315	$151,672	$0

School Jurisdiction Code: 46

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,032,864
Base Instruction (Gr 1-12)	$27,951,407
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$11,206,589
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$46,873
Provincial Priority Targeted Funding	
Class Size Initiative	$1,484,427
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$797,014
High Speed Networking	$102,714
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$0
Other Alberta Education Revenues (describe):	$53,057
Total Alberta Education Revenues	$42,674,945

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 46

SCHEDULE C to the AFS
ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,867,700	$1,322,302	$1,044,234		$0	$0	$5,234,236
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$375,750	$117,800	$0		$0		$493,550
ECS Program Unit (PUF)	$71,357	$274,390	$174,942		$0		$520,689
Severe Disabilities (Gr 1-12)	$751,500	$3,008,849	$0		$0		$3,760,349
English as a Second Language	$0	$0	$21,805		$0		$21,805
French Language Program & Francisation (all jurisdictions)	$0	$64,000	$33,181		$0		$97,181
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$668,712	$0	$128,302	$0	$0		$797,014
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$131,565		$0		$131,565
Class Size	$1,420,780	$0	$0	$0	$0		$1,420,780
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$19,959,338	$0	$996,360	$159,502	($39,155)	$368,359	$21,444,405
TOTAL EXPENSES	$26,115,137	$4,787,341	$2,530,388	$159,502	($39,155)	$368,359	$33,921,574

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	4.5	3.1
ECS Program Unit (PUF)	0.5	6.4
Severe Disabilities (Gr 1-12)	9.0	69.3

Note:

[1] Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

[2] Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 46

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		$46,222,620
STEP 1 **Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses**		
If "Total Net Enrolled Students" are 6,000 and over = 4%		4.27%
If "Total Net Enrolled Students" are 2,000 and less = 6%		
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE. EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%. Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.		
STEP 2 **Calculate maximum expense limit AMOUNTS for Board and System Administration expenses**		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,973,475
Considerations for Charter Schools and Small School Boards:		
If Charter School, enter $57,222	$0	$0
If School Board, please enter your 2005-2006 Gr 1- 12 funded enrolment	5,461	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		$1,973,475
Less: 2005/2006 Board and System Administration expenses		-$1,682,961
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$290,513

* Input opening carryforward board & system administration amount available from previous years, as determined by Alberta Education and provided to school jurisdiction chief finanical officer contacts.

School Jurisdiction Code: 46

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$475,631
Source of Net School Generated Funds:				
Fundraising activities	$640,034	$530,433	$109,601	
Student fees (Non-Instructional) (Note 2)	$1,475,318	$1,366,083	$109,235	
Donations and grants to schools	$403,324	$371,064	$32,260	
Other (describe):	$141,283	$157,085	($15,802)	
Net Additions to SGF	$2,659,959	$2,424,665		$235,294
Net SGF Available for Spending				$710,925
Application of Net School Generated Funds:				
Extra-curricular activities			$14,357	
School site beautification			$2,071	
Field Trips			$5,584	
Equipment			$20,072	
Family literacy and other community resources			$7,583	
Other (describe):			$45,576	
Net SGF Expended (Note 3)				$95,243
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$615,682

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 46

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,303,050	$153,850	$0	$0	$236,838	$1,693,538		$1,693,538
Uncertificated benefits	$340,231	$32,243	$0	$0	$44,157	$416,631		$416,631
Sub-total Remuneration	$1,643,281	$185,893	$0	$0	$280,995	$2,110,169		$2,110,169
Contracted Services	$267,919	$310,722	$0	$0	$0	$578,641		$578,641
Supplies	$108,972	$101,995	$0	$362,686	$74,782	$648,434		$648,434
Electricity			$537,705			$537,705		$537,705
Natural Gas/Heating Fuel			$436,347			$436,347		$436,347
Sewer and Water			$102,051			$102,051		$102,051
Telecommunications			$14,871			$14,871		$14,871
Insurance					$14,756	$14,756		$14,756
Amortization of capital assets								
Supported							$1,959,772	$1,959,772
Unsupported						$122,704		$122,704
Total Amortization						$122,704	$1,959,772	$2,082,476
Interest on capital debt								
Supported							$699,897	$699,897
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$43,323		$43,323
TOTAL EXPENSES	$2,020,172	$598,610	$1,090,974	$362,686	$370,533	$4,609,002	$2,659,669	$7,268,671
SQUARE METRES								
School Buildings								67,656.9
Non School Buildings								1,561.0

Nota:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 46

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-2006
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Tony Sykora	1.0	$12,162	$255	$0			$12,417	$1,745
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Jean Boisvert	1.0	$10,358	$189	$0			$10,547	$1,752
Name	Ron Beier	1.0	$11,358	$210	$0			$11,568	$5,393
Name	John Convey	1.0	$10,358	$189	$0			$10,547	$1,475
Name	Ed Muzechka	1.0	$10,358	$189	$0			$10,547	$4,247
Name	Gerald Mykytiuk	1.0	$10,358	$189	$0			$10,547	$1,244
Name	Ted Paszek	1.0	$10,358	$189	$0			$10,547	$3,667
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$75,310*	*$1,410*	*$0*			*$76,721*	*$19,523*
Superintendent	Doug Aitkenhead	1.0	$132,655	$12,067	$0	$0	$0	$144,722	$10,929
Superintendent		0.0	$0		$0	$0	$0	$0	$0
Secretary/Treasurer	Alberta Hutchings	1.0	$115,829	$23,103	$0	$0	$0	$138,932	$11,306
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		308.3	$23,700,190	$3,085,591	$0	$0	$0	$26,785,781	
Uncertificated Salaries & Wages		199.3	$7,342,697	$1,684,122	$0	$0	$0	$9,026,819	
TOTALS			$31,366,681	$4,806,294	$0	$0	$0	$36,172,975	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2195

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Elk Island Public Schools Regional Division No. 14
Legal Name of School Jurisdiction

683 Wye Road, Sherwood Park, Alberta T8B 1N2
Mailing Address

Telephone: 780-417-8111 Fax: 780-417-8181
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Elk Island Public Schools Regional Division No. 14 (Name of School Jurisdiction) presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Paul Dolynny	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Egbert Stang	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Brian Smith	"ORIGINAL SIGNED"
Name	Signature

21-Dec-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2195

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AUDITORS' REPORT

To the Board of Trustees of
Elk Island Public Schools Regional Division No. 14

We have audited the statement of financial position of the **Elk Island Public Schools Regional Division No. 14** as at August 31, 2006 and the statements of revenues and expenses, cash flows, and changes in net assets for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Elk Island Public Schools Regional Division No. 14 as at August 31, 2006 and the results of its operations, its cash flows and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Ernst & Young LLP

Edmonton, Canada
November 13, 2006

Chartered Accountants

School Jurisdiction Code: 2195

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

		2006	2005
ASSETS			
Current assets			
Cash and temporary investments		$12,059,552	$5,118,692
Accounts receivable (net after allowances)		$2,775,740	$6,024,414
Prepaid expenses		$262,270	$270,388
Other current assets		$14,618	$15,220
Total current assets		$15,112,180	$11,428,714
School generated assets		$2,839,321	$2,535,933
Trust assets		$3,981,905	$3,940,687
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,475,856	$1,475,856
Buildings	$103,807,768		
Less: accumulated amortization	($62,044,033)	$41,763,735	$44,466,956
Equipment	$34,191,942		
Less: accumulated amortization	($32,268,344)	$1,923,598	$2,106,107
Vehicles	$781,248		
Less: accumulated amortization	($453,432)	$327,816	$274,608
Total capital assets		$45,491,005	$48,323,527
TOTAL ASSETS		$67,424,411	$66,228,861
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$6,185,783	$5,565,464
Deferred revenue		$802,929	$2,589,504
Deferred capital allocations		$68,816	$174,597
Current portion of all long term debt		$1,825,529	$2,380,024
Total current liabilities		$8,883,057	$10,709,589
School generated liabilities		$2,839,321	$2,535,933
Trust liabilities		$3,981,905	$3,940,687
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$3,702,369	$5,442,691
Less: Current portion of supported debt		($1,202,792)	($1,740,322)
Unsupported: Debentures and Capital Loans		$6,434,885	$7,389,725
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($622,737)	($639,702)
Other long term liabilities		$0	$0
Unamortized capital allocations		$33,336,480	$33,642,051
Total long term liabilities		$48,469,431	$50,571,063
TOTAL LIABILITIES		$57,352,488	$61,280,652
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$6,480,847	$1,370,715
Accumulated Operating Surplus (Deficit)		$6,480,847	$1,370,715
Investment in capital assets		$2,334,637	$2,528,193
Capital Reserves		$1,256,439	$1,049,301
Total Capital Funds		$3,591,076	$3,577,494
Total net assets		$10,071,923	$4,948,209
TOTAL LIABILITIES AND NET ASSETS		$67,424,411	$66,228,861

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 2195

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006 Revised	Actual 2005 Restated
REVENUES			
Government of Alberta	$121,622,134	$120,242,881	$115,215,342
Federal Government and/or First Nations	$118,040	$117,913	$108,962
Other Alberta school authorities	$108,576	$165,000	$148,498
Out of province authorities	$65,341	$30,000	$31,719
Alberta Municipalities (excluding supplementary requisitions)	$3,146	$0	$9,754
Instruction resource fees	$880,636	$918,754	$858,279
Transportation fees	$363,453	$340,000	$315,821
Other sales and services	$1,897,118	$1,300,158	$2,940,899
Investment income	$493,857	$175,000	$250,193
Gifts and donations	$17,979	$4,111	$6,318
Rentals of facilities	$246,492	$257,000	$249,259
Net school generated funds	$994,567	$775,000	$747,974
Gains on disposal of capital assets	$13,582	$0	$19,589
Amortization of capital allocations	$2,402,576	$2,367,516	$2,522,198
Total Revenues	$129,227,497	$126,693,333	$123,424,805
EXPENSES			
Certificated salaries	$63,764,529	$64,448,389	$64,956,237
Certificated benefits	$6,951,874	$6,948,024	$6,886,788
Uncertificated salaries and wages	$17,954,127	$18,530,279	$17,886,326
Uncertificated benefits	$4,056,584	$4,231,821	$3,707,356
Services, contracts and supplies	$25,774,607	$27,726,301	$24,643,593
Net school generated funds	$994,567	$775,000	$747,974
Capital and debt services			
Amortization of capital assets			
Supported	$2,402,576	$2,356,708	$2,522,198
Unsupported	$1,388,422	$1,453,286	$1,282,167
Total Amortization of capital assets	$3,790,998	$3,809,994	$3,804,365
Interest on capital debt			
Supported	$456,491	$456,491	$660,933
Unsupported	$357,641	$352,792	$397,353
Total Interest on capital debt	$814,132	$809,283	$1,058,286
Other interest charges	$2,365	$0	$1,332
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$124,103,783	$127,279,091	$123,692,257
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$5,123,714	($585,758)	($267,452)
Extraordinary Item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$5,123,714	($585,758)	($267,452)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 2195

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$5,123,714	($267,452)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($2,402,576)	($2,522,198)
Total amortization expense	$3,790,998	$3,804,365
Gains on disposal of capital assets	($13,582)	($19,589)
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$3,248,674	$219,768
Prepaids and other current assets	$8,720	$31,380
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$620,319	($2,058,707)
Deferred revenue	($1,786,575)	($52,104)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$8,589,692	($864,537)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($359,978)	($1,249,379)
Equipment	($477,839)	($861,592)
Vehicles	($120,659)	($53,187)
Net proceeds from disposal of capital assets	$13,582	$19,588
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($944,894)	($2,144,570)
C. FINANCING ACTIVITIES		
Capital allocations	$250,902	$1,245,769
Issue of long term debt	$0	$393,000
Repayment of long term debt	($2,695,162)	($2,770,966)
Add back: supported portion	$1,740,322	$2,156,663
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	($703,938)	$1,024,466
Net sources (uses) of cash during year	$6,940,860	($1,984,641)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$5,118,692	$7,103,333
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$12,059,552	$5,118,692

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006

(in dollars)

School Jurisdiction 2195

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$4,948,209	$2,528,193	$0	$2,420,016	$1,273,801	$456,990	$0	$592,311	$96,914	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$4,948,209	$2,528,193	$0	$2,420,016	$1,273,801	$456,990	$0	$592,311	$96,914	$0	$0	$0	$0	$0
Excess(def) of revenue over expenses	$5,123,714		$5,123,714											
Board funded capital transactions		$598,499	($792,055)	$193,556	$0	$127,519	$0	$66,037	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,790,998)	$3,790,998											
Amortization of capital allocations		$2,402,576	($2,402,576)											
Disposal of unsupported capital assets	$0	$0	($9,002)	$9,002		$0		$9,002		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	($4,580)	$4,580		$0		$4,580		$0		$0		$0
Debt principal payments (unsupported)		$596,367	($596,367)											
Net transfers to operating reserves			($5,894,061)	$5,894,061	$3,854,229		$1,355,578		$345,910		$332,935		$5,409	
Net transfers from operating reserves			$783,929	($783,929)	($704,929)		$0		($79,000)		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2006	$10,071,923	$2,334,637	$0	$7,737,286	$4,423,101	$584,509	$1,355,578	$671,930	$363,824	$0	$332,935	$0	$5,409	$0

School Jurisdiction Code: 2195

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$174,597	$33,642,051
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$174,597	$33,642,051
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$250,902	
Infrastructure & Transportation-School/Modular Project Capital *	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$0
Current Year Debenture Principal Repayment		$1,740,322
Expended capital allocations - current year	($356,683)	$356,683
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$2,402,576
Balance at August 31, 2006	$68,816	$33,336,480

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

Elk Island Public Schools Regional Division No. 14

NOTES TO FINANCIAL STATEMENTS

August 31, 2006

1. AUTHORITY AND PURPOSE

Elk Island Public Schools Regional Division No. 14 (the "Division") was established under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3, to provide education programs in the Counties of Strathcona No. 20, Lamont No. 30, western portion of Minburn No. 27 and the City of Fort Saskatchewan.

The Division receives allocations under Regulation 77/2003 from the Government of Alberta. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administrative expenses.

The Division is considered a non-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared by administration in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in the administration's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Cash and temporary investments

Cash and temporary investments consist of cash and guaranteed investment certificates with maturity dates of less than 90 days after the fiscal year end.

Financial instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

NOTES TO FINANCIAL STATEMENTS

August 31, 2006

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 4%
Equipment	20%
Vehicles	10%

Only capital assets with costs in excess of $5,000 are capitalized.

Amortization is not recorded on assets currently under construction which are classified as work in progress. A full year of amortization is recorded on all capital asset additions in the year the asset is acquired or in the year construction is completed and the asset is ready for its productive use.

Operating and Capital reserves

Operating reserves are established to provide for the costs of future operating expenditures. Capital reserves are established to provide for future replacement or upgrading of capital assets. These reserves are established and expended in accordance with policies established by the Board of Trustees or external restrictions specified by the Government of Alberta.

Pensions

The Division participates in the multiemployer Local Authorities Pension Plan which is accounted for as a defined contribution plan with the cost of the pension benefits recognized as contributions are payable. Annual contributions for the year ended August 31, 2006, were $1,218,166. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 - $1,288,924,000 deficiency).

The current and past service costs of the Alberta Teacher Retirement fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

NOTES TO FINANCIAL STATEMENTS

August 31, 2006

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue is recognized as follows:

Instruction grants and fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital contributions and allocations from the Government of Alberta and the Government of Canada, for the acquisition of capital assets or the repayment of debt originally incurred for the purpose of acquiring capital assets, are recorded as unamortized capital allocations and amortized to revenue on the same basis as the capital assets acquired. Capital allocations that remain unspent at year-end are deferred until spent.

Unrestricted contributions are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Contributed services

Volunteers assist schools operated by the Division in carrying out certain activities. Because of the difficulty of determining the fair value of such services, and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

School generated funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the Division because accountability and responsibility for control of these funds rests with school principals or their appointee(s). In accordance with Ministerial requirements for Alberta school jurisdictions, school generated fund revenues and expenses are presented net of specific related cost recoveries.

August 31, 2006

3. CASH AND TEMPORARY INVESTMENTS

	2006 $	2005 $
Cash	**1,645,546**	196,617
Temporary investments	**10,414,006**	4,922,075
	12,059,552	5,118,692

4. ACCOUNTS RECEIVABLE

	2006 $	2005 $
Government of Alberta:		
Department of Education	**1,939,738**	181,531
Department of Finance	**220,950**	327,217
Department of Infrastructure and Transportation	—	4,425,169
Other	**23,649**	—
Government of Canada:		
GST	**326,518**	269,555
Natural Resources Grant	—	125,000
Other	**264,885**	695,942
	2,775,740	6,024,414

Effective April 2006, Infrastructure Maintenance Renewal (IMR) funding, capital project allocations and operating lease payments to the Division were transferred from the Government of Alberta Department of Infrastructure and Transportation to the Department of Education.

5. TRUST ASSETS AND LIABILITIES

	2006 $	2005 $
Student Health Initiative Partnership/Complex Needs	**3,891,460**	3,863,347
Other trust funds	**90,445**	77,340
	3,981,905	3,940,687

The Division manages funds on behalf of the Student Health Initiative Partnership(s) and Children and Youth With Complex Needs, and accordingly, amounts held at year-end are restricted in their use (see note 14).

The purpose of other trust funds are to fund student scholarships.

6. CAPITAL ASSETS

	2006		
	Cost $	**Accumulated amortization $**	**Net book value $**
Land	**1,475,856**	**—**	**1,475,856**
Buildings	**103,807,768**	**62,044,033**	**41,763,735**
Equipment	**34,191,942**	**32,268,344**	**1,923,598**
Vehicles	**781,248**	**453,432**	**327,816**
	140,256,814	**94,765,809**	**45,491,005**

	2005		
	Cost $	**Accumulated amortization $**	**Net book value $**
Land	1,475,856	—	1,475,856
Buildings	103,447,790	58,980,834	44,466,956
Equipment	33,811,870	31,705,763	2,106,107
Vehicles	678,423	403,815	274,608
	139,413,939	91,090,412	48,323,527

Capital assets include work-in-process on buildings of $193,885 (2005 - nil) and equipment of nil (2005 - $558,306). Amortization does not commence on capital assets until construction is complete.

7. BANK INDEBTEDNESS

The Division has a $5,000,000 revolving credit facility available for operations and $3,000,000 credit facility used to secure corporate credit cards with a major bank. Both facilities bear interest annually when drawn of prime less 0.5% and are due on demand. The Division has pledged as collateral for the facilities and an operating term loan (see note 12) a general security agreement providing a first charge over all accounts receivable, inventory and equipment. At August 31, 2006, nil was drawn on either facility (2005 - nil).

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006 $	2005 $
Government of Alberta – Department of Education	**390,300**	363,333
Government of Alberta – Department of Finance	**237,348**	344,361
Government of Alberta – Department of Human Resources and Employment	**6,910**	—
Employee related accrued liabilities	**3,377,755**	2,864,729
Trade accounts payable	**2,173,470**	1,993,041
	6,185,783	5,565,464

9. DEFERRED REVENUE

	2006			
	Beginning balance $	Amounts received $	Amounts recognized as revenue $	Ending balance $
Infrastructure	**881,509**	**—**	**(881,509)**	**—**
Infrastructure Maintenance Program	**420,875**	**1,431,663**	**(1,852,442)**	**96**
Transportation fees	**216,110**	**382,189**	**(363,453)**	**234,846**
International Services tuition/fees	**398,392**	**136,867**	**(406,039)**	**129,220**
Alberta Initiative for School Improvement	**431,084**	**1,965,625**	**(2,183,898)**	**212,811**
Video Conferencing	**150,000**	**—**	**(116,320)**	**33,680**
Sherwood Park Alliance Expansion	**—**	**70,000**	**(56,372)**	**13,628**
Chipman Demolition	**—**	**133,607**	**(118,970)**	**14,637**
Edmonton Complex Needs	**—**	**98,594**	**—**	**98,594**
Other deferred revenue	**91,534**	**63,892**	**(90,009)**	**65,417**
	2,589,504	**4,282,437**	**(6,069,012)**	**802,929**

9. DEFERRED REVENUE (CONTINUED)

	2005			
	Beginning balance $	**Amounts received** $	**Amounts recognized as revenue** $	**Ending balance** $
Infrastructure	960,468	—	(78,959)	881,509
Infrastructure Maintenance Program	104,586	1,844,944	(1,528,655)	420,875
Transportation Fees	188,554	343,377	(315,821)	216,110
International Services tuition/fees	880,984	1,315,803	(1,798,395)	398,392
Alberta Initiative for School Improvement	418,039	1,951,530	(1,938,485)	431,084
Video Conferencing	—	150,000	—	150,000
Other deferred revenue	88,977	73,317	(70,760)	91,534
	2,641,608	5,678,971	(5,731,075)	2,589,504

10. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the Division have been deferred until expended at which time they are transferred to unamortized capital allocations. Details of the changes in the deferred capital allocations account are as follows:

	2006 $	**2005** $
Beginning balance	**174,597**	126,641
Add allocations received and receivable during the year	**250,902**	1,245,769
Less expended capital allocations	**(356,683)**	(1,197,813)
Ending balance	**68,816**	174,597

August 31, 2006

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations relate to capital funds received from the Government of Alberta and used for the acquisition of capital assets or the repayment of debt originally incurred for the purpose of acquiring capital assets. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. The changes in the unamortized capital allocations balance for the period are as follows:

	2006 $	2005 $
Beginning balance	**33,642,051**	32,809,773
Add expended capital allocations received to acquire capital assets	**356,683**	1,197,813
Add capital allocations received to repay long-term debt	**1,740,322**	2,156,663
Less amount amortized to revenue	**(2,402,576)**	(2,522,198)
Ending balance	**33,336,480**	33,642,051

12. LONG-TERM DEBT

	2006 $	2005 $
Debentures, interest rates ranging from 5.75% to 12.0% and maturity dates ranging from 2006 to 2023	**5,184,769**	7,012,291
Term capital loan, monthly principal and interest payments of $64,485, 5.06% interest rate, due May 1, 2014	**4,952,485**	5,461,652
Term operating loan, monthly principal and interest payments of $4,884, 4.51% interest rate, due October 31, 2009	—	358,473
	10,137,254	12,832,416
Less current portion	**(1,825,529)**	(2,380,024)
	8,311,725	10,452,392

The debentures are fully supported by the Government of Alberta with the exception of two debentures in the amount of $741,200 (2005 - $784,800) each. All other loans are unsupported.

The Division has pledged as security for the term capital loan a general assignment of book debts including a specific assignment of those from Ameresco Canada.

12. LONG-TERM DEBT (CONTINUED)

As per Board of Trustees direction, the term operating loan was paid in full prior to maturity on December 21, 2005.

To manage future interest rate obligations on the term capital loan, the Division entered into an agreement with the lender to fix the interest rate on conversion at 5.06%. Term loan proceeds were originally restricted in use on the Division's building energy retrofit capital project. On August 30, 2005 the lender removed the restriction. As a result, of the total capital loan proceeds of $6,063,000 received, $5,745,634 was used for the capital project and $317,366 is recorded in cash and temporary investments and is available for future capital purposes.

The annual repayments of long-term debt required over each of the next five years and thereafter are as follows:

	$
2007	1,825,529
2008	1,310,163
2009	972,485
2010	994,868
2011	965,904
Thereafter	4,068,305
	10,137,254

13. COMMITMENTS

The Division has commitments with respect to operating leases for premises, land and equipment as follows:

	$
2007	262,315
2008	166,527
2009	29,974
2010	23,400
2011	23,400
Thereafter	254,400
	760,016

14. STUDENT HEALTH INITIATIVE PARTNERSHIP AND CHILDREN AND YOUTH WITH COMPLEX NEEDS

The Student Health Initiative (SHI or Partnership) is directed to the enhancement of services for children with special needs. It is a partnership of four major sectors – Education, Health, Mental Health, and Children's Services, at the community, regional and provincial levels. The Division has been appointed as "Banker" for the Partnership. Children and Youth with Complex Needs funding provides specialized services for children and youth with complex needs who require significant extraordinary care due to the severity of their impairment(s).

As the Banker, funds have been treated as restricted Trust Funds, and are received and disbursed on behalf of the Partnership and the Regional Integrated Case Management Teams. Only SHI funds and Children and Youth with Complex Needs funds received and spent by the Division as a partner have been recorded in these financial statements.

Included in Alberta Education Revenues on the Statement of Revenues and Expenses is SHI and Children and Youth with Complex Needs funding as follows:

	2006		
	Instruction Program Funding $	**Banker/ Administrative Fees $**	**Banker/ Program Coordination $**
Student Health Initiative	**284,620**	**40,482**	**130,397**
Children and Youth with Complex Needs	**16,206**	**5,000**	**86,817**
	300,826	**45,482**	**217,214**

	2005		
	Instruction Program Funding $	**Banker/ Administrative Fees $**	**Banker/ Program Coordination $**
Student Health Initiative	265,103	41,320	137,624
Children and Youth with Complex Needs	—	—	18,150
	265,103	41,320	155,774

August 31, 2006

15. SCHOOL GENERATED FUNDS

School generated funds included in the statement of revenue and expenditures are net of certain cost recoveries and represent school generated funds available for discretionary spending purposes. Total gross revenues generated from these school activities amounted to $6,733,508 (2005 - $6,329,287).

16. CONTINGENT LIABILITIES

In the ordinary course of operations various claims and lawsuits are brought against the Division. The ultimate settlement of such matters is not expected to be significant to the overall financial position of the Division. Administration has recorded a provision for its best estimate of the Division's exposure in respect to its current claims and lawsuits.

17. STATEMENT OF CASH FLOWS

Supplementary disclosures in respect of the statement of cash flows are as follows:

	2006 **$**	**2005** **$**
Interest received	**466,042**	248,615
Interest paid	**925,862**	1,200,916

August 31, 2006

18. RELATED PARTY TRANSACTIONS

The Division's primary source of revenue is from the Government of Alberta through its related departments. The Division's ability to continue its operations is dependent on this funding.

Related parties are departments controlled by the Government of Alberta and entities controlled by those departments. The amounts due to and from related parties bear no interest and are unsecured, with no stated terms for repayment.

Amounts due from related parties are as follows:

	2006 **$**	**2005** **$**
Government of Alberta		
Department of Education	**1,939,738**	181,531
Department of Finance	**220,950**	327,217
Department of Human Resources and Employment	**15,800**	—
Other Government of Alberta departments	**7,849**	—
Department of Infrastructure and Transportation	—	4,425,169
Entities controlled by Government of Alberta departments		
Student health partnership/Complex needs	**3,891,460**	3,863,347
Health authorities	**5,465**	—
Alberta school jurisdictions	**11,550**	10,812
Alberta post-secondary institutions	—	229
	6,092,812	8,808,305

Amounts due to related parties are as follows:

	2006 **$**	**2005** **$**
Government of Alberta		
Department of Education	**750,118**	944,417
Department of Finance	**237,348**	344,361
Department of Human Resources and Employment	**6,910**	38,275
Other Government of Alberta departments	**38,073**	—
Department of Infrastructure and Transportation	—	1,476,981
Entities controlled by Government of Alberta departments		
Student health partnership/Complex needs	**3,891,460**	3,863,347
Health authorities	**11,024**	—
Alberta school jurisdictions	—	7,662
	4,934,933	6,675,043
Government of Alberta		
Long term debt - Department of Finance *[note 12]*	**5,184,769**	7,012,291

18. RELATED PARTY TRANSACTIONS (CONTINUED)

Related party transactions are summarized as follows:

	2006 $	2005 $
Government of Alberta		
Department of Education:		
Revenue – Government of Alberta	**119,339,312**	102,520,952
Expenses – Services, contracts and supplies	**403,402**	321,586
Department of Infrastructure and Transportation		
Revenue – Government of Alberta	**1,774,529**	12,033,457
Expenses – Services, contracts and supplies	**(338,678)**	(167,975)
Department of Finance		
Revenue – Government of Alberta	**456,491**	660,933
Expenses – Interest on capital debt	**551,617**	756,282
Expenses – Services, contracts and supplies	**—**	18,773
Department of Human Resources and Employment		
Revenue – Government of Alberta	**51,802**	—
Other Government of Alberta departments		
Revenue – Other sales and services	**8,660**	—
Expenses – Services, contracts and supplies	**13,236**	1,005
Entities controlled by Government of Alberta departments		
Student health partnership/Complex needs		
Revenue – Other sales and services	**268,211**	260,511
Health authorities		
Expenses – Services, contracts and supplies	**240**	2,580
Alberta post-secondary institutions		
Revenue – Other sales and services	**431**	1,230
Expenses – Services, contracts and supplies	**1,424**	6,208
Other Alberta school jurisdictions		
Revenue – Other Alberta school authorities	**108,576**	148,498
Revenue – Other sales and services	**92,858**	137,776
Expenses – Services, contracts and supplies	**147,448**	112,481

These transactions are measured at the exchange amount, which is the amount of the consideration established and agreed to by the related parties.

19. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform to the current year presentation.

20. UNAUDITED INFORMATION

The budget was prepared by Division administration and was approved by the Board of Trustees. Budget amounts are presented for information purposes only and have not been audited.

The Statement of Capital Allocations and the supplementary Schedules A through G attached to these financial statements are presented by the Division's administration as information for additional analysis purposes only. While such information has been derived from the Division's accounting records, the Auditors' Report does not extend to this information.

SCHEDULE A to the AFS

School Jurisdiction Cod 2195

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education**	$119,339,312	$93,809,131	$12,524,035	$7,726,840	$5,016,610	$262,696
(2) **Alberta Infrastructure & Transportation**	$1,774,529	$0	$1,774,529			
(3) **Alberta Finance**	$456,491		$456,491			$0
(4) **Other - Government of Alberta**	$51,802	$51,802	$0	$0	$0	$0
(5) **Federal Government and/or First Nations**	$118,040	$118,040	$0	$0	$0	$0
(6) **Other Alberta school authorities**	$108,576	$108,576	$0	$0	$0	$0
(7) **Out of province authorities**	$65,341	$65,341	$0	$0	$0	$0
(8) **Alberta municipalities** (excl. supplementary requisitions)	$3,146	$3,146	$0	$0	$0	$0
(9) **Instruction resource fees**	$880,636	$880,636				
(10) **Transportation fees**	$363,453			$363,453		
(11) **Other sales and services**	$1,897,118	$1,015,270	$80,436	$0	$196,296	$605,116
(12) **Investment income**	$493,857	$491,441	$0	$0	$0	$2,416
(13) **Gifts and donations**	$17,979	$17,979	$0	$0		$0
(14) **Rentals of facilities**	$246,492	$0	$234,469	$0	$0	$12,023
(15) **Net school generated funds**	$994,567	$994,567			$0	
(16) **Gains on disposal of capital assets**	$13,582	$0	$13,582	$0	$0	$0
(17) **Amortization of capital allocations**	$2,402,576	$104,193	$2,298,383	$0		$0
(18) **TOTAL REVENUES**	$129,227,497	$97,660,122	$17,381,925	$8,090,293	$5,212,906	$882,251
EXPENSES						
(19) **Certificated salaries**	$63,764,529	$62,989,558			$664,855	$110,116
(20) **Certificated benefits**	$6,951,874	$6,882,673			$59,703	$9,498
(21) **Uncertificated salaries and wages**	$17,954,127	$12,977,583	$1,908,339	$328,207	$2,563,098	$176,900
(22) **Uncertificated benefits**	$4,056,584	$3,095,342	$416,553	$74,001	$434,306	$36,382
(23) **SUB - TOTAL**	$92,727,114	$85,945,156	$2,324,892	$402,208	$3,721,962	$332,896
(24) **Services, contracts & supplies**	$25,774,607	$7,144,983	$9,964,240	$7,369,294	$832,961	$463,129
(25) **Cost recoveries between programs**	$0	$131,505	($48,100)	($16,189)	($27,738)	($39,478)
(26) **Net school generated funds**	$994,567	$994,567				
Capital and debt services						
Amortization of capital assets						
(27) Supported	$2,402,576	$104,193	$2,298,383	$0	$0	$0
(28) Unsupported	$1,388,422	$672,580	$602,439	$2,044	$101,698	$9,661
(29) Total Amortization	$3,790,998	$776,773	$2,900,822	$2,044	$101,698	$9,661
Interest on capital debt						
(30) Supported	$456,491	$0	$456,491	$0	$0	$0
(31) Unsupported	$357,641	$0	$262,512	$0	$95,129	$0
(32) Other interest charges	$2,365	$0	$0	$0	$2,365	$0
(33) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34) **TOTAL EXPENSES**	$124,103,783	$94,992,984	$15,860,857	$7,757,357	$4,726,377	$766,208
(35) **EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM**	$5,123,714	$2,667,138	$1,521,068	$332,936	$486,529	$116,043

School Jurisdiction Code: 2195

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$2,828,928
Base Instruction (Gr 1-12)	$76,338,386
Outreach Programs	$208,080
Home Education	$64,188
Differential Cost Funding *	$31,663,200
Other Provincial Support	
Institutional Programs	$57,395
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$86,058
Provincial Priority Targeted Funding	
Class Size Initiative	$3,348,250
Student Health Initiative (SHI)	$455,499
Alberta Initiative for School Improvement (AISI)	$2,183,898
High Speed Networking	$274,983
Children and Youth with Complex Needs	$108,023
Infrastructure Maintenance Renewal (IMR)	$1,431,663
Other Alberta Education Revenues (describe): Video Conferencing,Classroom Walk Through Grant& One Time Class Reduction	$290,761
Total Alberta Education Revenues	$119,339,312

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilties/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 2195

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$8,226,913	$6,200,201	$1,795,242		$0	$85,445	$16,307,801
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,460,624	$3,100,476	$275,257		$0		$4,836,357
ECS Program Unit (PUF)	$477,070	$1,235,069	$396,404		$22,783		$2,131,326
Severe Disabilities (Gr 1-12)	$1,947,023	$4,132,960	$366,920		$0		$6,446,903
English as a Second Language	$0	$70,397	$0		$0		$70,397
French Language Program & Francisation (all jurisdictions)	$94,330	$17,687	$5,896		$0		$117,913
First Nations, Metis and Inuit Education (ECS - Gr 12)	$271,552	$50,916	$26,972		$0		$349,440
Home Education	$53,876	$27,994	$67,487		($20,823)		$128,534
Institutional Programs	$50,022	$1,581	$5,745		$0		$57,348
Alberta Initiative for School Improvement	$1,776,538	$37,768	$231,735	$171,057	$4,364		$2,221,462
Student Health Initiative	$72,309	$103,134	$109,177		$0		$284,620
High Speed Networking			$274,984		$0		$274,984
Class Size	$3,348,250	$0	$0	$0	$0		$3,348,250
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$16,206		$0		$16,206
All Other Student Instruction Expenses (ECS - Gr 12)	$52,093,724	$1,094,742	$2,398,299	$1,003,602	$125,181	$1,685,895	$58,401,443
TOTAL EXPENSES	$69,872,231	$16,072,925	$5,970,324	$1,174,659	$131,505	$1,771,340	$94,992,984

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	18.4	88.5
ECS Program Unit (PUF)	6.0	40.4
Severe Disabilities (Gr 1-12)	24.6	108.5

Note:

1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.

2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 2195

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		**$124,103,783**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$4,964,151
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $57,222	$0	$0
If **School Board**, please enter your 2005-2006 Gr 1- 12 funded enrolment	0	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		**$4,964,151**
Less: 2005/2006 Board and System Administration expenses		-$4,726,377
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$237,774

School Jurisdiction Code: 2195

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2005 (Note 1)				$2,535,933
Source of Net School Generated Funds:				
Fundraising activities	$2,273,974	$1,696,076	$577,898	
Student fees (Non-Instructional) (Note 2)	$3,817,401	$3,593,741	$223,660	
Donations and grants to schools	$456,972	$68,200	$388,772	
Other (describe): Interest income, textbook fines	$185,161	$77,536	$107,625	
Net Additions to SGF	$6,733,508	$5,435,553		$1,297,955
Net SGF Available for Spending				$3,833,888
Application of Net School Generated Funds:				
Extra-curricular activities			$646,006	
School site beautification			$0	
Field Trips			$0	
Equipment			$184,595	
Family literacy and other community resources			$50,000	
Other (describe): Bank Charges,Bad debt exp,program expenses			$113,966	
Net SGF Expended (Note 3)				$994,567
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$2,839,321

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 2195

SCHEDULE F to the AFS

Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$1,372,100	$0	$168,068	$368,171	$1,908,339		$1,908,339
Uncertificated benefits	$0	$306,239	$0	$35,650	$74,664	$416,553		$416,553
Sub-total Remuneration	$0	$1,678,339	$0	$203,718	$442,835	$2,324,892		$2,324,892
Contracted Services	$2,968,408	$1,002,582	$8,754	$2,065,612	$1,186,656	$7,232,012		$7,232,012
Supplies	$161,350	$490,472	$0	$1,783	$54,693	$708,298		$708,298
Electricity			$1,040,819			$1,040,819		$1,040,819
Natural Gas/Heating Fuel			$570,359			$570,359		$570,359
Sewer and Water			$169,979			$169,979		$169,979
Telecommunications			$25,720			$25,720		$25,720
Insurance					$217,053	$217,053		$217,053
Amortization of capital assets								
Supported							$2,298,383	$2,298,383
Unsupported						$602,439		$602,439
Total Amortization						$602,439	$2,298,383	$2,900,822
Interest on capital debt								
Supported							$456,491	$456,491
Unsupported				$0		$262,512		$262,512
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						($48,100)		($48,100)
TOTAL EXPENSES	$3,129,758	$3,171,393	$1,815,631	$2,271,113	$1,901,237	$13,105,983	$2,754,874	$15,860,857
SQUARE METRES								
School Buildings								194,558.6
Non School Buildings								5,791.0

Note:

Custodial: All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

Maintenance: All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed IMR & Modular Unit Relocations: All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2195

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Loit Byers	1.0	$30,761	$1,314	$6,900			$38,975	$1,308
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Pat McLauchlan	1.0	$21,439	$817	$3,400			$25,656	$1,503
Name	Bonnie Riddell	1.0	$21,519	$820	$3,400			$25,739	$542
Name	William Gordon	1.0	$21,600	$823	$3,400			$25,823	$409
Name	Pat Sprague	1.0	$2,198	$73	$358			$2,629	$0
Name	Lynn Patterson	1.0	$21,600	$171	$2,400			$24,171	$0
Name	Paul Dolynny	1.0	$26,181	$994	$2,900			$30,075	$433
Name	Mae Adamyk	1.0	$21,600	$906	$5,900			$28,406	$1,740
Name	Lisa Brower	1.0	$18,639	$687	$2,071			$21,397	$433
Name	R.G. Buchan	1.0	$10,878	$417	$1,771			$13,066	$1,398
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*10.0*	*$196,415*	*$7,022*	*$32,500*			*$235,937*	*$7,766*
Superintendent	Rob McPhee	0.3	$49,571	$7,121	$2,000	$0	$0	$58,692	$3,834
Superintendent	Egbert Stang	0.6	$96,378	$7,404	$0	$0	$0	$103,782	$4,624
Secretary/Treasurer	Brian Smith	1.0	$158,667	$25,846	$0	$0	$0	$184,513	$3,923
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		893.3	$63,531,890	$6,937,349	$60,321	$0	$24,369	$70,553,929	
Uncertificated Salaries & Wages		514.9	$17,290,046	$4,023,716	$19,358	$0	$257,141	$21,590,261	
TOTALS			**$81,322,967**	**$11,008,458**	**$114,179**	**$0**	**$281,510**	**$92,727,114**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 0048

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2006
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION No. 2
Legal Name of School Jurisdiction

BOX 4265, SPRUCE GROVE, AB. T7X 3B4
Mailing Address

780-962-5627 FAX 780-962-4664
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTINC

The financial statements and supporting schedules EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION No. 2
(Name of School Jurisdiction)
presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

CAREN MUELLER	" ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

MEL J. MALOWANY	" ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

JACQUELINE GILBERT	" ORIGINAL SIGNED"
Name	Signature

13-Nov-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
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School Jurisdiction Code: 0048

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AUDITORS' REPORT

To The Trustees of
Evergreen Catholic Separate Regional Division No. 2
Spruce Grove, Alberta

We have audited the statement of financial position of Evergreen Catholic Separate Regional Division No. 2 as at August 31, 2006 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an audit opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2006 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hawkings Epp Dumont LLP

Edmonton, Alberta
October 13, 2006

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Founding Partners
F.J. Bruha, CA (Deceased)
A.W. Whelan, CA (Retired)

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*Professional Corporation

School Jurisdiction Code: 0048

STATEMENT OF FINANCIAL POSITION

as at August 31, 2006

(in dollars)

			2006	2005
ASSETS				
Current assets				
Cash and temporary investments			$3,808,624	$3,122
Accounts receivable (net after allowances)			$1,931,077	$5,927,475
Prepaid expenses			$157,276	$118,704
Other current assets			$0	$0
Total current assets			$5,896,977	$6,049,301
School generated assets			$364,476	$308,419
Trust assets			$150,519	$121,794
Long term accounts receivable			$0	$0
Long term investments			$0	$0
Capital assets				
Land			$1,109,249	$1,025,883
Buildings		$49,303,455		
Less: accumulated amortization		($10,917,184)	$38,386,271	$27,994,788
Equipment		$4,240,478		
Less: accumulated amortization		($2,595,594)	$1,644,884	$1,179,806
Vehicles		$74,613		
Less: accumulated amortization		($20,259)	$54,354	$44,906
Total capital assets			$41,194,758	$30,245,383
TOTAL ASSETS			$47,606,730	$36,724,897
LIABILITIES				
Current liabilities				
Bank indebtedness			$0	$984,670
Accounts payable and accrued liabilities			$2,261,568	$2,184,975
Deferred revenue			$190,075	$312,116
Deferred capital allocations			$654,476	$600,025
Current portion of all long term debt			$596,231	$496,230
Total current liabilities			$3,702,350	$4,578,016
School generated liabilities			$364,476	$308,419
Trust liabilities			$150,519	$121,794
Employee future benefits liability			$0	$0
Long term payables and accrued liabilities			$0	$0
Long term debt				
Supported:	Debentures and other supported debt		$4,169,493	$4,389,799
	Less: Current portion of supported debt		($596,231)	($496,230)
Unsupported:	Debentures and Capital Loans		$0	$0
	Capital Leases		$0	$0
	Mortgages		$0	$0
	Less: Current portion of unsupported debt		$0	$0
Other long term liabilities			$0	$0
Unamortized capital allocations			$34,871,435	$24,050,410
Total long term liabilities			$38,959,692	$28,374,192
TOTAL LIABILITIES			$42,662,042	$32,952,208
NET ASSETS				
Unrestricted net assets			$461,968	$273,153
Operating Reserves			$2,309,479	$1,123,958
Accumulated Operating Surplus (Deficit)			$2,771,447	$1,397,111
Investment in capital assets			$2,153,839	$1,805,182
Capital Reserves			$19,402	$570,396
Total Capital Funds			$2,173,241	$2,375,578
Total net assets			$4,944,688	$3,772,689
TOTAL LIABILITIES AND NET ASSETS			$47,606,730	$36,724,897

Note: Input "(Restated)" in 2005 column heading where comparatives are not taken from the finalized 2004-2005 Audited Financial Statements.

School Jurisdiction Code: 0048

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2006

(in dollars)

	Actual 2006	Budget 2006 Revised - Approved	Actual 2005
REVENUES			
Government of Alberta	$21,759,795	$21,156,820	$15,164,966
Federal Government and/or First Nations	$69,159	$39,200	$34,751
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$203,976	$206,272	$171,295
Transportation fees	$0	$0	$0
Other sales and services	$163,447	$10,000	$32,029
Investment income	$81,972	$10,000	$67,650
Gifts and donations	$3,727	$0	$500
Rentals of facilities	$0	$5,000	$0
Net school generated funds	$112,151	$115,000	$151,465
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,765,905	$1,031,568	$1,172,289
Total Revenues	$24,160,132	$22,573,860	$16,794,945
EXPENSES			
Certificated salaries	$12,827,511	$12,887,698	$9,340,891
Certificated benefits	$1,517,722	$1,757,413	$1,037,839
Uncertificated salaries and wages	$2,726,851	$2,593,418	$1,938,043
Uncertificated benefits	$627,631	$648,355	$412,761
Services, contracts and supplies	$3,372,985	$3,564,914	$2,332,316
Net school generated funds	$112,151	$115,000	$151,465
Capital and debt services			
Amortization of capital assets			
Supported	$1,765,904	$1,031,568	$1,172,289
Unsupported	$214,701	$32,245	$200,826
Total Amortization of capital assets	$1,980,605	$1,063,813	$1,373,115
Interest on capital debt			
Supported	$463,222	$582,633	$456,275
Unsupported	$0	$0	$0
Total interest on capital debt	$463,222	$582,633	$456,275
Other interest charges	$0	$0	$2,427
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$23,628,678	$23,213,244	$17,045,132
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$531,454	($639,384)	($250,187)
Extraordinary item	$0	$0	$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$531,454	($639,384)	($250,187)

Note: Input "(Restated)" in Budget 2006 and/or Actuals 2005 column headings where comparatives are not taken from the respective finalized 2005-2006 Budget Report and/or finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

School Jurisdiction Code: 0048

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2006

(in dollars)

	2006	2005
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses for the year	$531,454	($250,187)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	($1,765,905)	($1,172,289)
Total amortization expense	$1,980,605	$1,373,115
Gains on disposal of capital assets	$0	$0
Losses on disposal of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$3,996,398	($3,198,262)
Prepaids and other current assets	($38,572)	$53,084
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$76,593	$510,581
Deferred revenue	($122,041)	$240,838
Employee future benefit expense (recovery)	$0	$0
Other (describe) Addition of Hinton fr. Living Waters less defrev 199	$613,973	$0
Total sources (uses) of cash from Operations	$5,272,505	($2,443,120)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,992,053)	($6,188,833)
Equipment	($747,580)	($596,376)
Vehicles	($20,309)	($30,808)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($3,759,942)	($6,816,017)
C. FINANCING ACTIVITIES		
Capital allocations	$3,277,609	$5,095,794
Issue of long term debt	$0	$0
Repayment of long term debt	($596,233)	($521,945)
Add back supported portion	$596,233	$521,945
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$3,277,609	$5,095,794
Net sources (uses) of cash during year	$4,790,172	($4,163,343)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($981,548)	$3,181,795
Cash and temporary investments, net of bank indebtedness, at Aug. 31/06	$3,808,624	($981,548)

Note: 1 Input "(Restated)" in 2005 column heading where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 0048

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2006
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2005	$3,772,689	$1,805,182	$273,153	$1,694,354	$538,228	$229,365	$236,725	$303,836	$349,005	$37,195	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2005	$3,772,689	$1,805,182	$273,153	$1,694,354	$538,228	$229,365	$236,725	$303,836	$349,005	$37,195	$0	$0	$0	$0
Excess(def) of revenue over expenses	$531,454		$531,454											
Board funded capital transactions		$536,784	($536,784)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,980,605)	$1,980,605											
Amortization of capital allocations		$1,765,905	($1,765,905)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,224,972)	$1,224,972	$746,468		$291,679		$182,667		$4,158		$0	
Net transfers from operating reserves			$584,485	($584,485)	($519,764)		($64,721)		$0		$0		$0	
Net transfers to/from capital reserves			$550,994	($550,994)		($229,365)		($284,434)		($37,195)		$0		$0
Transfer in Hinton Balances-Note 18	$640,544	$26,573	$68,938	$545,034	$409,468	$0	$86,280	$0	$43,328	$0	$5,958	$0	$0	$0
Balance at August 31, 2006	$4,944,687	$2,153,839	$461,968	$2,328,881	$1,174,400	$0	$549,963	$19,402	$575,000	$0	$10,116	$0	$0	$0

School Jurisdiction Code: 0048

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2006
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2005	$600,025	$24,050,41
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2005	$600,025	$24,050,410
Add:		
Restricted capital allocations from: Alberta Education-School/Modular Project Capital *	$2,963,103	
Infrastructure & Transportation-School/Modular Project Capital *	$294,584	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$19,922	
Other capital grants and donations	$0	
Net Proceeds on disposal of supported capital assets	$0	
Insurance proceeds (and related interest)	$0	
Donated capital assets (amortizable, @ fair market value)		$0
Transferred in capital assets (amortizable, @ net book value)		$8,767,539
Current Year Debenture Principal Repayment		$596,233
Expended capital allocations - current year	($3,223,158)	$3,223,158
Less:		
Net book value of supported capital assets disposition, write-off, or transfer		$0
Capital allocations amortized to revenue		$1,765,905
Balance at August 31, 2006	$654,476	$34,871,435

* Exclude Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations from this Statement, since those contributions are not externally restricted to capital.

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2006

1. AUTHORITY AND PURPOSE

Evergreen Catholic Separate Regional Division No. 2 ("the Division") delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The precise determination of certain assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

(b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following annual rates:

Buildings	25 and 40 years
Equipment	5 years
Vehicles	5 years

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense (see Note 9).

(c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Vacation Pay

Vacation pay is accrued in the period in which the benefit is earned by the employee.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

The Division participates in the multi-employer pension plan, the Local Authorities Pension Plan and does not report any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $88,104 (2005 - $82,464) for the year ended August 31, 2006. At December 31, 2005, the Local Authorities Pension Plan reported an actuarial deficiency of $863,558,000 (2004 - deficiency of $1,288,924,000).

(f) Prepaid Expenses

Certain expenses incurred and paid for before the close of the fiscal year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

(g) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

(i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Division to set aside funds for future operating and capital purposes. These reserves are appropriations of unrestricted net assets.

3. ACCOUNTS RECEIVABLE

	2006	2005
Alberta Education	$ 662,096	$ 1,714
Alberta municipalities	478,304	405,530
Alberta Infrastructure and Transportation	251,328	4,937,594
Alberta Finance	225,886	239,681
Federal government	158,724	260,690
Other	131,320	82,116
Other Alberta school jurisdictions	22,445	-
Other Province of Alberta	974	150
	$ 1,931,077	$ 5,927,475

4. BANK INDEBTEDNESS

The Division has negotiated a line of credit in the amount of $1,350,000 that bears interest at the bank prime rate. The line of credit is secured by a borrowing bylaw and a security agreement.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2006	2005
Other trade payables and accrued liabilities	$ 1,298,913	$ 1,275,501
Alberta Education	471,310	417,637
Federal government	262,270	199,652
Alberta Finance	227,373	239,681
Alberta municipalities	1,702	39,415
Other Alberta school jurisdictions	-	13,089
	$ 2,261,568	$ 2,184,975

6. DEFERRED REVENUE

	2006	2005
Class size funding	$ 69,800	$ 81,860
Infrastructure Maintenance Renewal	51,456	-
Other	35,000	-
Instruction material fees	33,819	36,645
Video conferencing	-	50,032
Infrastructure Maintenance Program	-	143,579
	$ 190,075	$ 312,116

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2006

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Division for the following:

	2006	2005
Deferred salary leave plans	$ 87,163	$ 60,228
Professional improvement leave plan	63,356	61,566
	$ 150,519	$ 121,794

8. LONG-TERM DEBT

The debentures are held with Alberta Capital Finance Authority, bear interest at rates ranging from 7.625% to 12.0% and are fully supported by Alberta Finance.

Debenture payments due over the next five years and beyond are as follows:

2007	$ 596,231
2008	572,572
2009	479,606
2010	338,606
2011	300,846
2012 to maturity	1,881,632
	$ 4,169,493

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or are receivable by the Division but the related expenditure has not yet been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. Unamortized capital allocations are increased by transfers of previously deferred capital allocations which are now spent, as well as fully-supported debenture principle repayments.

11. COMMITMENTS

(a) Office Lease

The Division is committed to an office lease agreement with the Catholic Archdiocese of Edmonton which expires June 30, 2012. Annual lease payments of $22,000 are required during the term of the lease. The Division has prepaid lease payments up to and including June 2007.

(b) Capital Projects

The Division is committed to further capital expenditures for the modernization at St. Gregory school of approximately $2,960,580. It is expected that these costs will be fully funded by capital allocations from Alberta Education.

12. CONTINGENCIES

The Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represent equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset which the Division can liquidate.

13. RELATED PARTY TRANSACTIONS

The Division is controlled by the Government of Alberta. Transactions between the Division and the Government of Alberta and related balances are disclosed on the Statement of Revenues and Expenses, Schedule A, the Statement of Financial Position and in notes 3, 5, 6, and 8.

The transactions are recorded at their exchange amounts as agreed to by the related parties.

14. ECONOMIC DEPENDENCE

The Division's primary source of revenue is received from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

15. ADDITIONAL CASH FLOW INFORMATION

The Division's cash payments for interest on long-term debt during 2006 were $477,017 (2005 - $486,848).

The Division received cash interest payments of $75,978 during 2006 (2005 - $74,145).

16. BUDGET FIGURES

The budget was prepared by the Division and approved by the Board of Trustees. It is presented for information purposes only.

17. COMPARATIVE FIGURES

Comparative figures have not been restated to include the 2004-05 results of St. Gregory and Gerard Redmond schools in Hinton as the information is not readily available.

18. AMALGAMATION

Pursuant to Ministerial Order 027/2005, dated September 1, 2005, authority over St. Gregory and Gerard Redmond schools in Hinton was transferred from Living Waters Catholic Regional Division No. 42 to the Division.

The following represents the assets and liabilities of the two Hinton schools that were transferred to the Division.

Assets	
Cash	$ 807,971
School generated assets	49,763
Trust assets	23,654
Capital assets	9,170,038
	$ 10,051,426
Liabilities	
Deferred revenue	$ 19,997
Deferred capital allocations	174,002
School generated liabilities	49,763
Trust liabilities	23,654
Long-term debt	375,926
Unamortized capital allocations	8,767,539
	9,410,881
Net Assets	
Unrestricted net assets	68,938
Restricted net assets	545,034
Investment in capital assets	26,573
	640,545
	$ 10,051,426

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

SCHEDULE OF SERVICES, CONTRACTS, AND SUPPLIES EXPENSES

FOR THE YEAR ENDED AUGUST 31, 2006

	2006 (Budget) (Note 16)	2006 (Actual)	2005 (Actual)
Contracted and professional services	$ 471,000	$ 718,101	$ 268,617
Utilities	685,000	681,860	488,017
Supplies and materials	575,000	485,614	363,233
Maintenance and repairs	363,000	325,591	199,978
Furniture and equipment	225,000	169,481	137,013
Other schools - tuition	120,000	112,664	50,079
Professional development	216,000	108,730	80,048
Textbooks	175,000	102,377	81,735
Insurance	125,000	96,290	76,414
Rentals	115,000	95,926	220,983
Student transportation	85,000	93,170	81,168
Memberships and fees	80,000	76,430	45,809
Library and media materials	80,000	69,683	65,021
Travel and subsistence	60,000	55,952	31,410
Telephone services	50,000	55,192	38,647
Staff/community relations	33,850	44,686	36,188
Postage fees	21,000	22,559	15,452
Advertising	13,000	17,057	14,325
Vehicle operating costs	-	11,537	-
Software	35,000	10,759	15,834
Correspondence courses	10,000	7,778	7,486
Printing and binding services	24,000	7,545	14,859
Bank charges	3,064	4,003	-
	$ 3,564,914	$ 3,372,985	$ 2,332,316

SCHEDULE A to the AFS

School Jurisdiction Code 0046

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2005-2006

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	Alberta Education	$21,270,575	$17,669,326	$2,321,644	$285,887	$982,718	$0
(2)	Alberta Infrastructure & Transportation	$0	$0	$0			
(3)	Alberta Finance	$463,222		$463,222			$0
(4)	Other - Government of Alberta	$16,996	$2,726	$8,582	$0	$5,688	$0
(5)	Federal Government and/or First Nations	$69,159	$62,397	$4,368	$0	$2,394	$0
(6)	Other Alberta school authorities	$0	$0	$0	$0	$0	$0
(7)	Out of province authorities	$0	$0	$0	$0	$0	$0
(8)	Alberta municipalities (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(9)	Instruction resource fees	$203,976	$203,976				
(10)	Transportation fees	$0			$0		
(11)	Other sales and services	$163,447	$114,927	$10,345	$0	$16,761	$21,414
(12)	Investment income	$81,972	$67,348	$8,925	$0	$5,699	$0
(13)	Gifts and donations	$3,727	$3,727	$0	$0		$0
(14)	Rentals of facilities	$0	$0	$0	$0	$0	$0
(15)	Net school generated funds	$112,151	$112,161			$0	
(16)	Gains on disposal of capital assets	$0	$0	$0	$0	$0	$0
(17)	Amortization of capital allocations	$1,765,805	$123,954	$1,641,851	$0		$0
(18)	TOTAL REVENUES	$24,160,132	$18,360,534	$4,458,037	$285,887	$1,013,260	$21,414
	EXPENSES						
(19)	Certificated salaries	$12,827,511	$12,618,613			$188,305	$20,593
(20)	Certificated benefits	$1,517,722	$1,492,196			$24,705	$821
(21)	Uncertificated salaries and wages	$2,726,851	$1,552,155	$869,603	$0	$305,093	$0
(22)	Uncertificated benefits	$627,631	$373,167	$207,914	$0	$46,550	$0
(23)	SUB - TOTAL	$17,699,715	$16,036,131	$1,077,517	$0	$564,653	$21,414
(24)	Services, contracts & supplies	$3,372,985	$1,580,405	$1,242,432	$261,729	$288,419	$0
(25)	Cost recoveries between programs	$0	$0	$0	$0	$0	$0
(26)	Net school generated funds	$112,161	$112,151				
	Capital and debt services						
	Amortization of capital assets						
(27)	Supported	$1,765,804	$123,954	$1,641,850	$0	$0	$0
(28)	Unsupported	$214,701	$180,512	$11,943	$0	$22,246	$0
(29)	Total Amortization	$1,980,505	$304,466	$1,653,793	$0	$22,246	$0
	Interest on capital debt						
(30)	Supported	$463,222	$0	$463,222	$0	$0	$0
(31)	Unsupported	$0	$0	$0	$0	$0	$0
(32)	Other interest charges	$0	$0	$0	$0	$0	$0
(33)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(34)	TOTAL EXPENSES	$23,628,678	$18,013,153	$4,437,064	$281,729	$875,318	$21,414
(35)	EXCESS (DEFICIENCY) BEFORE EXTRAORDINARY ITEM	$531,454	$367,381	$21,973	$4,158	$137,942	$0

School Jurisdiction Code: 0048

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUE 2005-2006

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$874,578
Base Instruction (Gr 1-12)	$14,677,089
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$0
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (5 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit Allocation	$24,474
Provincial Priority Targeted Funding	
Class Size Initiative	$637,708
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$347,500
High Speed Networking	$28,196
Children and Youth with Complex Needs	$0
Infrastructure Maintenance Renewal (IMR)	$286,143
Other Alberta Education Revenues (describe):	$4,403,887
Total Alberta Education Revenues	$21,279,575

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for eligible students and early childhood services children with severe disabilities, enrolled children with mild or moderate disabilities/delays or who are gifted & talented, early childhood services and gr 1-12 student aboriginal learners that are off reserves, Francisation for students and children and Francophone equivalency access funding for students within francophone authorities (excluding French language program funding or other funding provided under Official Languages in Education Program agreement between Canada and Alberta -which is revenue from Federal Government and not Alberta Education), English as a second language for enrolled students and children, enhanced English as a second language and Francisation and support services for immigrant students, the percentage of the student population experiencing low socio-economic status, daily physical activity, Hutterite Colony schools, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and adjustments for cost differences among school jurisdictions for costs of goods & services.

School Jurisdiction Code: 0046

SCHEDULE C to the AFS

ECS to Grade 12 INSTRUCTION PROGRAM Expense Details - 2005-2006

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries between programs	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,169,084	$730,982	$56,040		$0	$0	$1,956,106
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,072,636	$81,827	$120,349		$0		$1,274,812
ECS Program Unit (PUF)	$95,346	$147,289	$21,114		$0		$263,749
Severe Disabilities (Gr 1-12)	$476,727	$673,709	$288,493		$0		$1,438,929
English as a Second Language	$7,945	$0	$1,800		$0		$9,745
French Language Program & Francisation (all jurisdictions)	$15,890	$0	$3,400		$0		$19,290
First Nations, Metis and Inuit Education (ECS - Gr 12)	$78,000	$0	$35,557		$0		$113,557
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$260,750	$42,000	$44,750	$0	$0		$347,500
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$64,082		$0		$64,082
Class Size	$635,640	$0	$63,564	$0	$0		$699,204
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$10,298,791	$249,515	$861,256	$0	$0	$416,617	$11,826,179
TOTAL EXPENSES	$14,110,809	$1,925,322	$1,560,405	$0	$0	$416,617	$18,013,153

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12)	13.5	3.0
ECS Program Unit (PUF)	1.2	5.4
Severe Disabilities (Gr 1-12)	6.0	24.7

Note:
1 Services, Contracts & Supplies expenses exclude learning resources, as they are reported on separately.
2 Other Expenses include net school generated funds, amortization, interest, and losses on disposal of instruction program capital assets.

School Jurisdiction Code: 0048

SCHEDULE D to the AFS
BOARD AND SYSTEM ADMINISTRATION
2005-2006 EXPENSES UNDER (OVER) MAXIMUM LIMIT

TOTAL EXPENSES		$23,628,678

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	5.45%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,287,763
Considerations for Charter Schools and Small School Boards:		
If Charter School, enter $57,222	$0	$0
If School Board, please enter your 2005-2006 Gr 1- 12 funded enrolment	3,105	
	$0	$0
2005-2006 MAXIMUM EXPENSE LIMIT		$1,287,763
Less: 2005/2006 Board and System Administration expenses		-$875,318
2005-2006 BOARD AND SYSTEM ADMINISTRATION EXPENSES UNDER (OVER) MAXIMUM LIMIT		$412,445

School Jurisdiction Code: 0048

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2005-2006

Unexpended SGF - Opening Balance August 31, 2005 (Note 1)			RESTATED	$308,419
Source of Net School Generated Funds:	Gross SGF	Related Expenses	Net SGF	
Fundraising activities	$283,267	$215,436	$67,831	
Student fees (Non-Instructional) (Note 2)	$810,101	$743,249	$66,852	
Donations and grants to schools	$31,087	$4,548	$26,539	
Other (describe): General Revenue/Bank Interest/Awards/Sch	$175,124	$168,138	$6,986	
Net Additions to SGF	$1,299,579	$1,131,371		$168,208
Net SGF Available for Spending				$476,627
Application of Net School Generated Funds:				
Extra-curricular activities			$36,857	
School site beautification			$4,246	
Field Trips			$29,384	
Equipment			$14,035	
Family literacy and other community resources			$575	
Other (describe): Student/Staff Recognition/Scholarships/Awards/Donations/Telecollaborative Projects			$27,054	
Net SGF Expended (Note 3)				$112,151
Unexpended SGF - Closing Balance August 31, 2006 (Note 4)				$364,476

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2005 where not taken from the finalized 2004-2005 Audited Financial Statements filed with Alberta Education.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended is reported as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is reported as school generated assets and liabilities in the Statement of Financial Position.

School Jurisdiction Code: 0048

SCHEDULE F to the AFS
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2005-2006

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$701,688	$45,000	$0	$4,259	$118,656	$869,603		$869,603
Uncertificated benefits	$178,024	$6,300	$0	$0	$23,590	$207,914		$207,914
Sub-total Remuneration	$879,712	$51,300	$0	$4,259	$142,246	$1,077,517		$1,077,517
Contracted Services	$15,220	$200,402	$27,724	$101,314	$24,884	$369,544		$369,544
Supplies	$112,155	$23,627	$0	$0	$463	$136,245		$136,245
Electricity			$351,635			$351,635		$351,635
Natural Gas/Heating Fuel			$263,064			$263,064		$263,064
Sewer and Water			$29,036			$29,036		$29,036
Telecommunications			$8,808			$8,808		$8,808
Insurance					$84,100	$84,100		$84,100
Amortization of capital assets								
Supported							$1,641,950	$1,641,950
Unsupported						$11,943		$11,943
Total Amortization						$11,943	$1,641,950	$1,653,893
Interest on capital debt								
Supported							$463,222	$463,222
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries between programs						$0		$0
TOTAL EXPENSES	$1,007,087	$275,329	$680,267	$105,573	$251,693	$2,331,892	$2,105,172	$4,437,064
SQUARE METRES								
School Buildings								35,840.1
Non School Buildings								6,000.0

Note:

Custodial:	All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
Maintenance:	All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed IMR & Modular Unit Relocations:	All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facilty planning & project 'administration', administration of joint-use agreements,and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

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SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2005-2006
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
CAREN MUELLER	1.0	$13,225	$335	$0			$13,560	$7,165
							$0	
Other Board Members:								
GERALD BERNAKEVITCH	1.0	$18,425	$504	$0			$18,929	$3,804
JOSEPH MACLELLAN	1.0	$8,500	$38	$0			$8,538	$3,300
JANE MACRIDIS	1.0	$10,050	$225	$0			$10,275	$5,857
RON MCKAY	1.0	$10,950	$255	$0			$11,205	$4,206
CHRISTINE SAUER	1.0	$8,650	$178	$0			$8,828	$3,177
ROBERT VASSEUR	1.0	$7,813	$157	$0			$7,970	$3,324
MARION WALSHE	1.0	$7,350	$134	$0			$7,484	$500
RICHARD YACEYKO	1.0	$7,525	$140	$0			$7,665	$1,143
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
Subtotal	*9.0*	*$92,488*	*$1,966*	*$0*			*$94,454*	*$32,476*
Superintendent MEL J. MALOWANY	1.0	$129,277	$9,483				$138,760	$8,476
Secretary/Treasurer JACQUELINE GILBERT	1.0	$90,125	$17,962				$108,087	$5,772
							$0	
							$0	
							$0	
Board Secretary							$0	
							$0	
Board Treasurer							$0	
Certificated Salaries	178.8	$12,698,235	$1,508,238				$14,206,473	
Uncertificated Salaries & Wages	82.8	$2,544,237	$607,704				$3,151,941	
TOTALS		$15,554,362	$2,145,353	$0	$0	$0	$17,699,715	

Note: Please refer to completion information on page 15.